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U.S. SMALL BUSINESS ADMINISTRATION

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ADVISORY COMMITTEE ON VETERANS BUSINESS AFFAIRS

6

DAY TWO

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Taken on the date of:

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WEDNESDAY, FEBRUARY 8, 2006

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Taken at the offices of:

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U.S. SMALL BUSINESS ADMINISTRATION

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409 3RD STREET, SOUTHWEST, SUITE 700

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WASHINGTON, D.C.

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21 Start time: 9:00 o'clock, a.m.

22 Taken before: Jackie Smith, a court reporter

1 COMMITTEE MEMBERS:

2 Dr. Samuel Metters
3 Bettye Payne
4 J. Ronald Zola
5 Dr. Sarah R. Rogers
6 Joseph C. Sharpe
7 Ronald M. Miller
8 William D. Elmore
9 Thomas S. Bednarczyk

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1 P-R-O-C-E-E-D-I-N-G-S

2 MR. BEDNARCZYK: Okay. I'd like to
3 bring this second day session to order. Would
4 everybody take your seat. I'd like to go
5 through a quick roll call of the membership.

6 Jerry Caten is absent. Ron Miller?

7 MR. MILLER: Here.

8 MR. BEDNARCZYK: Bettye Payne?

9 MS. PAYNE: Here.

10 MR. BEDNARCZYK: Dr. Rogers?

11 DR. ROGERS: Here.

12 MR. BEDNARCZYK: Joe Sharpe?

13 MR. SHARPE: Here.

14 MR. BEDNARCZYK: Ron Zola?

15 MR. ZOLA: Present.

16 MR. BEDNARCZYK: Tom Bednarczyk,

17 here. Dennis D. Poley, absent.

18 MR. ELMORE: I have not heard

19 anything. Cheryl, have you heard anything?

20 MR. BEDNARCZYK: Sam Metters will be

21 here for the afternoon session. And our newest

22 member, LaVonne Jinks-Umstead, welcome.

4

1 MS. UMSTEAD: Thank you.

2 MR. BEDNARCZYK: Maybe this might be

3 an appropriate time, maybe you could introduce

4 yourself to the committee.

5 MS. UMSTEAD: I am LaVonne

6 Jinks-Umstead. I am a small business owner. I

7 provide acquisition support, not only to the

8 Government, but to other businesses. I have

9 lived around the country and around the world.
10 And so I have been involved in these sort of
11 processes for quite some time, and I am happy to
12 be on board and working with you all.

13 MR. BEDNARCZYK: Great. Thank you.
14 I think you'll get a chance to see how things
15 go, and we certainly want your active
16 participation.

17 MS. JINKS-UMSTEAD: Thank you.

18 MR. ELMORE: Welcome. Bill Elmore.
19 Welcome.

20 MS. JINKS-UMSTEAD: Thank you, Bill.

21 MR. BEDNARCZYK: Before we get
22 started, I just want to also welcome all the

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1 guests that are here to observe the proceedings
2 of our committee.

3 Maybe to set a set of guidelines and
4 rules for the committee, I first would like to
5 say that our committee business is -- for most
6 committee items, we ask that the guests abide to
7 the time table set by the chairman so that we
8 can begin our sessions on time.

9 Secondly, we ask all guests to
10 refrain from asking direct questions until those
11 providing testimony, until you are recognized by
12 the chair. We ask that all questions be in

13 alignment with the decorum of the meeting, and
14 we ask that or we say the chair will make every
15 effort to allow our guests' participation as
16 time allows.

17 We want to thank everybody, the
18 guests, that are attending here because of their
19 important interest in the welfare of our
20 national veterans community which we represent.

21 So, with that, the first agenda item
22 today is a continuation of a committee

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1 discussion. We can continue the discussion from
2 yesterday, if the committee so desires, but
3 maybe before, I will give you a chance to think
4 about that comment because I want to go over the
5 agenda real quickly for everyone, our guests
6 included. At 10:00, we'll be visited by the
7 Department of Defense to talk about the
8 procurement side. At 10:45 until 11:15, the
9 Department of Veteran Affairs will be here
10 looking at the initial Service For Service
11 Disabled Vets, and at 11:15 we'll be visited by
12 Homeland Security. We are, once again,
13 procurement. This afternoon, we'll have a
14 continuation of our committee's discussions.

15 Dennis is not here, unfortunately. I

16 have not had any contact, so I can't give the
17 committee any update as to Dennis's status. I'm
18 hoping that he is on his way and will definitely
19 be here by the time we at least get into the
20 Department of Defense stuff, but I can't swear
21 to that.

22 MS. PAYNE: Would you like to

7

1 acknowledge this?

2 MR. BEDNARCZYK: Yes. Dennis did
3 send a note. Maybe we could start with that as
4 a topic and get some comment. Before I you read
5 that, do you have a time when we'll be able to
6 see the individual from the web page.

7 MR. SNEIDER: No, I don't. No, I
8 don't.

9 MR. BEDNARCZYK: Because from a
10 scheduling point of view, the best time would be
11 probably right after lunch, if that's at all
12 possible, to get them to visit with us.

13 Okay, Bettye.

14 MS. PAYNE: Dennis sent this e-mail
15 in reference to the CCR. He said a major
16 issue, everyone, is the CCR. The CCR is an
17 issue with Government as it is with vendors.
18 CCR has identification issues, registration
19 issues, and an error factor in many, if not all,

20 areas. When Pronet moved over to CCR, it
21 created a monster. COs do not like the use of
22 the dynamic search tool for they do not provide

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1 detailed information, vendors register with no
2 knowledge of correctness. Bottom line is DOD
3 needs to address CCR.

4 And Dennis wanted us to bring this up
5 to DOD when they testify in front of us.

6 MR. BEDNARCZYK: Bill or Dick, do you
7 have any comments about CCR from experience?
8 Dennis, obviously, made some comments about the
9 accuracy of that. Any experience that you could
10 share with us?

11 MR. ELMORE: The only experience I
12 can share really almost pre dates SBA with my
13 small business in the past. As I understand
14 what is now CCR/Pronet, Pronet moved to DOD. We
15 still have some responsibility for the Pronet
16 side, and perhaps Teresa can talk to this, if
17 you want to ask her a few questions.
18 Teresa Lewis is here with us today. So we still
19 have some responsibility for the Pronet side,
20 but as I understand it, CCR, Pronet is really a
21 DOD program. I guess what I would suggest is as
22 you go through your deliberations, whatever

1 questions you ask of DOD or even us, if there
2 are specific recommendations that you want to
3 make either internally because you have that
4 right and/or some inclusion from your annual
5 reporting, that's the call of the committee to
6 make.

7 Obviously, people around the table
8 who have experience in contracting is different
9 than somebody inside who is primarily trying to
10 help make sure there are programs that enable
11 contracting. So any insight you can provide me
12 that I can either share with Teresa and/or the
13 people who run our Government contracting and
14 business development programs, I will.

15 MR. BEDNARCZYK: Sarah, you were
16 yesterday talking about getting into the
17 process, so your company recently went through
18 the CCR.

19 DR. ROGERS: I did. I registered on
20 CCR. I know there is probably a great need to
21 expand it and have more things in it. One of
22 the things I talked about yesterday, as we look

1 at what our strategic plan might be, how we

2 waistline some of the things we're doing, we
3 want to increase veteran participation in CCR.

4 One of the things I thought that we
5 might look at is could we include in there a
6 link from CCR, or have a checked button already
7 so that anyone who registers in it would
8 automatically receive a copy of -- it escapes me
9 this very second. It's not Veteran Business
10 gazette. If you already have that checked so
11 that you'd have to uncheck it not to receive it,
12 I think that would be a really good thing to do.
13 Then we can measure not only the number of new
14 veteran businesses who register in CCR, whether
15 they intend to do business with DOD or not, it
16 will give us a really good deal if we can use
17 that as a measure of how much impact we're
18 having.

19 And then also when you start getting
20 responses and web hits after the magazine goes
21 out, that will also provide a gauge for us of
22 impact that we're having in funding on how many

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1 veteran businesses there are.

2 MR. ELMORE: It's an interesting
3 thought, if you don't mind me engaging a little
4 bit ,and I am thinking out loud too, my guess is

5 that we might run into some privacy issue
6 because this is simply only SBA and CCR and DOD,
7 that sort of thing. We may not. I don't know.
8 Obviously, the attorneys would end up involved
9 in that kind of question, but I think to take
10 your thought perhaps a step further and talk
11 about some cache of information, if you will,
12 that would go to any vet or service disabled vet
13 that registers in CCR, that could contain not
14 just SBA information, perhaps VA information,
15 DOD information, really become a packet of
16 materials, if you will, that relates to how one
17 navigates the federal procurement arena, what
18 kind of training is available, what kind of
19 tools are available, where are they at, how do
20 you get to them. I can see something like that.
21 Teresa, jump into this, if you want.
22 That would go to not only the kind of training

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1 that we're trying to deliver and build up, but
2 also would lead ultimately to helping people
3 achieve success.

4 DR. ROGERS: Isn't it why you are
5 trying to be kind of a one-stop shopping place,
6 to also have links out to all these places
7 though?

8 MR. ELMORE: I am, but understand

9 that the reality of trying to affect the entire
10 nation and the millions of veterans that are
11 entrepreneurs out there, and I would think on
12 its face, it might be a mistake to only limit it
13 to what SBA does. We, obviously, are the small
14 business component.

15 DR. ROGERS: I just know as a veteran
16 business owner, we're overwhelmed with
17 information coming at us. If you're just
18 starting your business, particularly, if you are
19 just registering with CCR, if you have the one
20 business letters, e-business letter, and it has
21 a link to one place first, then you start there
22 and then you can branch out without getting too

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1 much stuff coming out you. Because it is very
2 distracting when you are most concerned about,
3 if you happen to do business with the Federal
4 Government, do you meet the DCA accounting
5 standards. It's keeping it down to the dullest
6 roar. Then they can select from there, but if
7 you keep it to SBA being a nice place from which
8 you network --

9 MR. ELMORE: Yes, I can see that sort
10 of an approach, simple as a letter that says
11 welcome to CCR. I don't even know if that

12 happens. And if you are a small business,
13 here's where your resource is.

14 DR. ROGERS: That's not what you get.
15 With a response that says, yes, you have been
16 accepted, and there is great cheering among
17 anyone in your company because it means that
18 your Dunn's number was right, your cage code is
19 right, which means you either are or are not
20 trying to get a facility clearance. But that's
21 a big deal too, getting a cage number, and that
22 you may now proceed to talk to the small

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1 business office of whatever, DOD, or other
2 activity federal activity you want to talk to,
3 but there is no information that comes back.

4 MR. BEDNARCZYK: Teresa.

5 MS. LEWIS: Good morning. I actually
6 work with the young lady who handles the Pronet
7 side of the CCR, and I've been working with her
8 to be able to turn on and off that service
9 disabled vets. That is once a protest has been
10 made, and we're making some headway towards
11 that, and actually highlighting and bringing
12 that out. Because right now, it's very hard to
13 see when you look at the dynamic small business
14 search, you know, where you can actually search
15 it. So I have been working with her on that.

16 One thing that we may be able to do,
17 and I don't know if they can open that database
18 to other services or what not, that's other than
19 CCR, but what we may be able to do is once they
20 click, maybe provide guidance or instructions.
21 Because there's like instructions for completing
22 the application process or the registration

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1 process, so we may be able to add some language
2 there, if the committee would like to give me,

3 you know, whatever you'd like to have, and then
4 I can work with her on getting that added. I
5 don't think that might be a problem. I don't
6 know if they will because then I think it ends
7 up making the system vulnerable to attacks on
8 what have you. I don't know. I am not a
9 techie.

10 DR. ROGERS: I wasn't thinking of
11 going quite that far in it. I was thinking,
12 you're a veteran, you own a business, you're
13 just signing up for CCR. I wasn't going down
14 further down any qualification pass. I think it
15 is probably a good tool for being able to, for
16 one thing, find out where our veteran businesses
17 are with whatever other qualifying they have in
18 there, and then be able to get some basic

19 information to them. Then they can go and
20 explore, okay, what certifications do they have
21 do they need and all that. But just getting
22 registered, yes, I am a veteran, kind of thing.

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1 MR. ELMORE: I certainly think that
2 it's an idea that's worth exploring. What I
3 might suggest is have your deliberations,
4 perhaps ask the people to come before you today
5 and think it through. And then if you've got a
6 recommendation you want to make, either to me or
7 directly to the administrator or both, I will
8 take it forth and make sure the administrator
9 gets it.

10 I think it is an interesting idea. I
11 haven't heard it, I haven't thought of it
12 certainly, and to do that could accelerate
13 people's understanding of how this system works
14 and how to proceed and succeed.

15 MR. BEDNARCZYK: State your name?

16 MR. RAMIREZ: Richard Ramirez, from
17 the VA Center for Business Enterprise.
18 Anecdotal, as CCR's situation, CBE is well down
19 the road in coordination with CCR to set up an
20 arrangement where we will automatically populate
21 the veterans business database,

22 vetbusiness.govvip from the CCR, the protocols,

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1 and all the technology involved I am not
2 familiar with but the intention is to draw
3 automatically the veterans into the database so
4 we can reach out and find information. That's
5 scheduled to take place in the next couple
6 months.

7 DR. ROGERS: Well, if they are doing
8 that, perhaps we could pigtail on that, sort of
9 piggyback on that effort perhaps but, of course,
10 I think it's really important that we make sure
11 that that gets into some issues of veterans now
12 suddenly having their data which they probably
13 want accessible to VA, which is probably fine.
14 With this, if we get Vet magazine sent out to
15 them as an initial offering with an ability to
16 unsubscribe, we're not loading them into any
17 other database other than CCR, which just means
18 business.

19 MR. ELMORE: Well, again, if you want
20 to come forward with some real recommendations
21 after you all discuss it through, I am certainly
22 open.

18

1 MR. BEDNARCZYK: LaVonne.

2 MS. JINKS-UMSTEAD: Well, being the
3 newest member, I guess I missed something but I
4 am trying to understand what exactly is your
5 concern with CCR. On the one hand, it appears
6 maybe I am interpreting it incorrectly, is that
7 you are looking to use this as a wider range, in
8 terms of gathering information versus what I
9 think it was initially designed for? So I am
10 kind of at a loss, in terms to trying to
11 understand what specifically is your problem or

12 concern with the CCR, and that may be because
13 there's been some other discussion.

14 MR. BEDNARCZYK: In Dennis's note,
15 and that is kind of where we started, Dennis
16 makes the comments, COs do not like the use of
17 the dynamic search tool for they do not provide
18 detailed information, vendor register, with no
19 knowledge of correctness.

20 And I think what started our
21 conversation was the chairman's comment about
22 two things, registration without knowledge of

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1 correctness. So, for instance, if you strike
2 service disabled veteran, does the person who is
3 filling in the form understand the definition of

4 what a service disabled veteran-owned business
5 is, fifty-one percent.

6 MS. PAYNE: And documented proof.

7 MR. BEDNARCZYK: And, of course, the
8 other comment we made is COs, I am not quite
9 certain what COs means.

10 MR. SNEIDER: Contracting officers.

11 MR. BEDNARCZYK: Thank you. Do not
12 like the use of the dynamic search tools for
13 they do not provide detailed information, which
14 is the other side of the coin we have been
15 discussing as part of our committee over a
16 number of sessions, getting the ora that there
17 are no disabled veteran businesses or
18 veteran-owned businesses to fulfill the
19 contracting world's needs for services. And I
20 think that Dennis is addressing that issue
21 saying that the dynamic search tools aren't
22 being used because of whatever reason.

20

1 Everybody knows that you can't play
2 in the game until you are registered in CCR. I
3 can say in my business, we have been in business
4 going on four years now, and I have only been
5 contacted probably twice in four years with
6 anybody from the Federal Government referring to

7 the fact that they found my business on CCR.

8 And I have to say that we're not in a service
9 that's so unique that you would only, once in a
10 long while.

11 So, of course, I also believe, coming
12 from Connecticut, we're not here in the Beltway.
13 So if we don't have a Beltway address or phone
14 number, we probably wouldn't get called.

15 MR. ELMORE: Mr. Chairman, the one
16 suggestion, I'd like to interpret since Dennis
17 isn't here, unfortunately, what is it he meant.
18 One of the things you may want to think about
19 is, is it them, these kind of questions.

20 MR. BEDNARCZYK: I think when
21 Department of Defense is here, we will certainly
22 raise that as a topic and ask them what their

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1 feeling is about it, and if there is a way that
2 we could tighten the accuracy. Sometimes it's
3 nothing more than just, as you scroll your mouse
4 over, there will be a pop-up menu that an insert
5 that will pop up and define what it means.
6 Disabled, means this, and then you certainly can
7 move up or whatever the case may be.

8 Maybe this would be a good time, Bill
9 and Scott, representing veterans service
10 organizations, have you heard any comments from

11 the membership about CCR?

12 MR. DOZIER: Just to the point that
13 it's difficult, that without some kind of
14 guidance when you first get on, it's like a new
15 maze to them. They are not sure how to navigate
16 through it, and what they are actually supposed
17 to be doing about it.

18 That's where the training mechanism
19 should come through first, before they get on to
20 CCR.

21 MR. BEDNARCZYK: Okay.

22 MR. GOLDEN: We mimic those comments.

22

1 MR. ELMORE: One of the things that
2 you might do, the lady from the Philadelphia
3 Chamber of Commerce, part of their process, as I
4 understand what she presented yesterday, is the
5 training about getting on to registers on CCR so
6 it isn't just going to CCR.

7 MS. PAYNE: She had a cheat sheet.
8 That's what she's going to e-mail to us.

9 MR. ELMORE: You might want to look
10 at the tools that they developed and it might
11 fit into this idea of welcome to CCR, if you
12 will, here's the steps you take and here's
13 what's available or here's how you proceed after

14 you have completed this step.

15 MS. PAYNE: That's a good idea
16 because the information you need to have at hand
17 so you won't keep running back and forth.
18 Because it is frustrating, from that stand
19 point, have this ready.

20 MR. ELMORE: And I think at the same
21 time, if it isn't part of our training,
22 certainly be could make it. I could push it out

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1 to our field offices, if you have a succinct
2 piece.

3 MS. LEWIS: There is an instruction
4 manual that's available that you can download.
5 So you can download it, you can even print it in
6 a hard copy.

7 MR. ELMORE: Can you and I take a get
8 together Friday and see if there's a way to boil
9 that down, if necessary.

10 DR. ROGERS: In talking yesterday
11 with the woman here with the Chamber of
12 Commerce, she actually has a much shorter
13 version. I have looked at that again. You have
14 to know what you're looking for to find the
15 manual. And you have to know all these things.
16 I happen to have what is coming, will I called
17 among the contractor world a hunting license. I

18 have an ID card to get on board the system
19 command base, and I went to their small business
20 office as I was establishing my business because
21 I was already a contractor. I could get there,
22 other people can't. They gave me this printed

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1 out instruction on how to do that. Without
2 that, it would have been extremely difficult.
3 If we could get the website for your web page
4 that services our veterans more visible and have
5 a link to a one-page here's how you do it, I
6 think that would be tremendously helpful. And
7 that's why we keep badgering you guys about the
8 web page. More than just one page help because
9 most people are not going to go in dogged
10 pursuit of a manual. I hate to say it, it would
11 probably be helpful then, as we can get more of
12 your folks out in the field among the six
13 centers we have and the other service
14 organizations, maybe we can start getting the
15 word out about how to, in fact, do this.

16 MR. BEDNARCZYK: This is our veterans
17 section of the SBA website. So my first
18 question is, if I come here, I see Pronet,
19 Subnet, and Technet, but I don't see CCR.
20 Now, I thought Pronet was a way.

21 MR. ELMORE: Well, it's CCR Pronet.

22 DR. ROGERS: I have never gone to

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1 Pronet.

2 MR. PANZARELLA: Phil Panzarella. I

3 am in the process of going through this again,

4 and you're right, it's not very clear. And I

5 think there should be a list of the basic, you

6 need to go into CCR, you've got to have your EIN

7 and your Dunn's number. If you don't have it,

8 you can't even begin to get in the process.

9 The other confusing part, they

10 are interfaced into the small business dynamics

11 search engine because that is the Pronet piece.

12 MS. LEWIS: It is.

13 MR. PANZARELLA: When you register in

14 CCR, I don't know how it populates that. I'm

15 not sure how you go in as a user to make sure

16 that data is updated. It is clear how you

17 update CCR, and the other part of that, that

18 small business dynamic research engine, if you

19 do a search, it's not user friendly at all.

20 MS. LEWIS: I find it easier.

21 MR. PANZARELLA: You've got to take

22 some time and energy to figure it out. So it is

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1 not straightforward, as it probably needs to be.

2 MS. LEWIS: I got you.

3 MR. BEDNARCZYK: Let's just look at
4 this, somebody coming to the site, so if you
5 click here.

6 DR. ROGERS: Way too many lines.

7 MR. BEDNARCZYK: So this is a
8 description of what Subnet and Technet are. And
9 if I come up here to Pronet, one portal. The
10 integration began in 2004. This is all nice
11 information but probably irrelevant. And here's
12 procuring agencies who relied on Pronet.

13 DR. ROGERS: The way that's worded,
14 if I am just a veteran business with no other
15 qualifiers, I would say, well, why would I need
16 to go to CCR.

17 MR. BEDNARCZYK: Actually, I would
18 have a different opinion, that it took me two
19 pages to find a little statement about CCR, and
20 out of everything we read, it was the history of
21 Pronet, which was irrelevant.

22 All you need to know is here's CCR,

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1 and this is why you need to register on CCR, so
2 please click here and proceed. But to Bill's

3 point and your point, this would be an ideal
4 place to say, by the way, you're going to need
5 the following pieces of information, and then
6 you would have linkage to Dunn & Bradstreet in
7 order to get a Dunns number. We could see from
8 there once we click here.

9 DR. ROGERS: This is actually pretty
10 good.

11 MR. BEDNARCZYK: It says at the
12 beginning, validation of taxpayer ID number.
13 But if you are brand new to the game and you say
14 I am just going to move on.

15 DR. ROGERS: It's great. You click
16 there. You can go and get your Dunns number.
17 It's easy.

18 DR. ROGERS: I have my Dunns number
19 with me.

20 MR. BEDNARCZYK: This gets you
21 started on the process. Obviously, just from my
22 observation, I don't know how the committee

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1 feels, but obviously, at the SBA juncture, if
2 that was a primary start point for small veteran
3 businesses, they would be very confused as to
4 how to maneuver and get themselves registered,
5 at least if they were planning on doing
6 Government business.

7 MR. ELMORE: Let me go back a
8 question, go back to our page, because our page
9 is linked to your page, right? Isn't it,
10 Teresa?

11 MS. LEWIS: Yes, yes.

12 MR. ELMORE: From memory, I don't
13 remember everything that you have on your page.
14 Does your page provide that data?

15 MS. LEWIS: I was trying to remember.
16 If you could go to the procurement, and I think
17 you access it from there.

18 MR. ELMORE: I thought you were down
19 at the bottom of our page.

20 MS. LEWIS: I may be.

21 MR. ELMORE: Go back to our front
22 page. Now, go to the bottom of that a little

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1 further, keeping scrolling down, further down,
2 office of contract assistance. So there isn't a
3 piece there you have.

4 MR. BEDNARCZYK: You have training
5 program, frequently asked questions, the
6 executive order.

7 MR. ELMORE: What we can work on is
8 we will put a joint piece together.

9 DR. ROGERS: You know, before you

10 leave this, one of the things that we did talk
11 about at our last meeting that Jerry brought up
12 was our largest target market for all this is
13 veteran business owners, not disabled business
14 owners, but just veterans.

15 Where it says at the very top
16 veterans and service disabled veterans, when you
17 go back down, all the other links are about
18 service disabled. That's all I see on there.
19 So I think it might behoove us to be a little
20 more inclusive and put some things on there so
21 that people who are in the guard and reserve who
22 own businesses, people like me who are recent

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1 retirees who own businesses, the vast majority
2 aren't service disabled or don't consider
3 ourselves service disabled, whether we have a
4 rating or not.

5 So it might be helpful to put some
6 addition on that. And like Jerry said, a lot of
7 people don't want to be known as service
8 disabled because people are less apt to hire you
9 as a business.

10 MR. BEDNARCZYK: We have in the
11 glossary of terms, and there is nothing about
12 the definitions of service disabled, what is
13 service disabled.

14 DR. ROGERS: And how do you certify
15 it, which that was how Bill and I first met.
16 Self certification, hallelujah.

17 MR. ELMORE: Right.

18 MS. LEWIS: Well, in the FAQs for my
19 office and in the training program, that
20 discussion is there, but I agree, we need to
21 make it clearer and easier to access. So, Bill,
22 we'll work together on getting that straight.

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1 MR. PANZARELLA: And I think another
2 great point, the certification, if I didn't talk
3 to Rick Ramirez, I would have believed it is
4 self certifying, but I think for service
5 disabled, that is not self certifying.

6 DR. ROGERS: It is.

7 MR. PANZARELLA: Well, that is clear.
8 I thought it was something that had to be
9 certified by VA.

10 MR. CELLI: You, the veteran business
11 owner, certify that, but to back yourself up,
12 you have to be able to validate that you are a
13 service disabled veteran.

14 MS. LEWIS: You said they certify
15 what?

16 MR. CELLI: It is a self

17 certification, but if you're challenged, you
18 have certification. We help people fill this
19 out all the time. This is one of the services
20 that we provide of the two of the most important
21 pieces of advice that I give.

22 First of all, with regard to the

32

1 accuracy of the information, there's pretty
2 extensive edits in CCR. And if there is a
3 conflict of information or something left out,
4 there is a really user friendly opportunity to
5 go back and repair that until you get through
6 it.

7 The one thing that I think that
8 people filling out CCR are unprepared for is the
9 extensiveness of the application process. And
10 what they fail to use until well into the
11 process is this automated information input
12 template that you are allowed to click at the
13 bottom that says if you fill this in every time,
14 you get to a page that requires this
15 information, you click a button and it will
16 populate it in. And that will cut the process
17 down considerably. People don't realize that's
18 important until they are an hour into putting it
19 together in.

20 The other thing that I strongly

21 caution my clients on is that they need to
22 understand that anything that you edit in CCR,

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1 you are locked out for three days. If you make
2 a correction in CCR, one day before you are due
3 to submit for that bid, the contract, whatever
4 it is, you're done. You're done. And there's
5 not really too much they can do to get that
6 unlocked so that the agency they want to compete
7 with can ever find them again. I don't know why
8 that is, but that's a fact, and lot of people
9 don't know that. It's not posted anywhere. You
10 don't understand that until you speak to the
11 support staff from CCR, who are very friendly
12 and very helpful, and they will call you back
13 immediately, but again, people just don't know
14 that.

15 If they are scrambling at the last
16 minute to get a bid in and they want to update
17 part of their CCR record with a bank account,
18 something mundane that could have been locked
19 out, they are locked out for three days. People
20 don't realize that.

21 MR. BEDNARCZYK: My own personal
22 experience, I wish I could identify the fish.

1 Once you fill out CCR, isn't there another
2 database which you're required to fill out which
3 has something to do with dolphin, Orca.

4 DR. ROGERS: I never heard of Orca.

5 MR. BEDNARCZYK: Sorry.

6 MR. GOLDEN: Some places also ask for
7 the vets 100 to be filled out.

8 MR. BEDNARCZYK: What's that?

9 MR. GOLDEN: Vets 100?

10 DR. ROGERS: What is vets 100.

11 MR. GOLDEN: It is another form
12 registration just like the other information but
13 some of them do ask. I know the VA has required
14 that on various contracts.

15 MR. ELMORE: Let me help you to
16 understand, and I know a little bit. Vets 100,
17 that is the reporting process that fulfills the
18 responsibility of a successful federal
19 contractor to take affirmative steps, that might
20 not be the exact language, to hire veterans and
21 disabled veterans as a successful federal
22 contractor. So there's an affirmative action

1 responsibility that dates back to the 1970s
2 Rehabilitation Act. I think it's Section 402 of

3 the Rehabilitation Act. Maybe Bill or Joe could
4 talk to that a little bit.

5 MR. GOLDEN: Some of your large
6 primes will ask for you to fill that out prior
7 to you getting a contract with them, if you're
8 going in as a subcontractor.

9 MR. ELMORE: Those reports go to the
10 Department of Labor, and there is an enforcement
11 on the other side of that, as I understand it,
12 that deals with the office of federal contract,
13 OFCCP. I remember the initials. I don't
14 remember the name.

15 DR. ROGERS: Is this one of those
16 things where you have to be larger than a very
17 small business?

18 MR. ELMORE: I think it is any
19 contract over \$100,000.

20 MR. GOLDEN: Even contracts, even if
21 it is just \$25,000 or up right now on certain
22 agencies, they are requiring you to fill out the

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1 vets 100. It is a very simple form, much easier
2 to access than what the CCR is. You fill it
3 out. What usually we do, and I would advise
4 people to make a copy of their CCR and vets 100
5 and other forms, and submit this with their

6 information prior to doing a bid. That way,
7 there is no problem with accessing information.
8 Because some of these agencies themselves will
9 have problems locating you in the CCR.

10 DR. ROGERS: That's a really good
11 idea. As part of the things this panel looks
12 at, with us being our own sort of experimental
13 pool, these sorts of thing should be identified
14 to be information on the website of helpful
15 things that help veterans be successful in any
16 kind of bid form. Because this is one of the
17 things I have heard something about this but
18 it's never been a requirement for me, but I am a
19 very small business.

20 MR. ELMORE: As I understand, it is
21 one of the clauses in a contract when you
22 actually sign a contract for a successful bidder

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1 that talks to what we used to call when I was in
2 the job businessman or job listings. There was
3 at least initially a responsibility to list
4 those job opportunities with the one-stop
5 centers, what used to be called the employment
6 office.

7 DR. ROGERS: That is interesting. I
8 have never been asked to fill one of those out.

9 MR. BEDNARCZYK: I am wondering,

10 Scott, from your experience, it sounds to me
11 that vets 100 is, for lack of a better term, it
12 is a requested issue as opposed to something
13 that you would sign on in a preliminary mode.
14 In other words, you only need to fill it out
15 when you're dealing with a prime.

16 MR. GOLDEN: When you're doing
17 business with a prime or Government agency, that
18 is how come it is a lot easier when you're
19 scrambling to fill out an FRP, get all your
20 ducks in a row to have this paperwork already in
21 hand to where you can hand it in. It makes it a
22 lot easier for the vet, makes it look a lot more

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1 professional. You are not saying, oh, what is a
2 Vet 100 to a procurement officer because they
3 will ask that for \$25,000 or up.

4 MR. ELMORE: Vets 100 is really a
5 labor responsibility. So if you want to get
6 into that issue in any kind of depth, you may
7 want to talk to labor or have someone from the
8 assistant secretary for veterans employment and
9 training come talk to you as a committee, or
10 even off record, if you want to talk to them or
11 talk to staff over there, and look at what role,
12 if any, you think this committee ought to play

13 in that whole arena.

14 MR. BEDNARCZYK: Sir, state your
15 name?

16 MR. RICHARDS: Dick Richards. I am
17 with the WFEEA, a company called Transtech. I
18 had a question on the Vet 100. Is that a form
19 that's fill out or does anyone follow-up after
20 to see that it's adhered to or enforced? It
21 sounds like the idea is if you are using
22 veterans or service disabled vets in your work

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1 force. Does anyone go back afterwards to check?

2 MR. ELMORE: I would defer, I think,
3 to the VSOS. Mandatory job listing goes back
4 ten, 15 years ago. I am not contemporary. Joe,
5 do you have any insight, or Bill.

6 MR. DOZIER: They can go back and
7 check.

8 MR. RICHARDS: They is who?

9 MR. GOLDEN: The agency or large
10 business that helps them document and certify
11 their veterans or different ones that they are
12 using. That way, they get their points.

13 MR. DOZIER: Where it also comes up
14 is when there is a protest. They go back and
15 they jump on that form right away.

16 MR. GOLDEN: That's how come I am a
17 big believer, because they will find any excuse
18 not to use you. So if you're going to submit in
19 for an RFP, have your ducks in a row.

20 The Vet 100, also a copy of your
21 disability form, just go ahead and submit this.
22 It saves you time and effort in the long run.

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1 MR. ELMORE: Again, I am speaking
2 from memory, I think it is called the Office of
3 Federal Contract Compliance, OFCCP, that has
4 enforcement responsibility, but I couldn't tell
5 you from memory how that responsibility in fact
6 functions. Again, I think that's tied in to the
7 assistant secretary for veterans employment
8 training and labor. And if you wanted to get
9 into this issue, he might want to communicate
10 with them or ask them to come before the
11 committee.

12 MR. BEDNARCZYK: I am trying to get
13 Orca, their website on. I backed into it from a
14 recommendation by the Connecticut BTAP.
15 An Orca has something to do with a future
16 procurement and having your financials in order.
17 Orca asks you a series of questions, and
18 Government agencies are not asking you to be
19 registered in CCR and Orca. Once again, it's

20 another set of complexity because of what is the
21 thread, what is the trail that somebody has to
22 go down, and what information is required. And

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1 interestingly enough, once you register in Orca,
2 as I understand, maybe this addresses the delay,
3 Orca is fed from CCR. If you make a change,
4 CCR, as a database, is feeding other databases
5 and they probably need 72 hours to assure that
6 all the information is now consistent, if you
7 use CCR as the start point.

8 So maybe that's what's happening
9 here. Does anybody have any familiarity with
10 this Orca that I filled out? Okay. Can you add
11 a little light?

12 MR. RICHARDS: Orca, I am no techie,
13 but Orca is probably the greatest single advance
14 in the small business doing business with the
15 Government. Its primary reason is to enable a
16 contractor to make their representations and
17 certificates one time, okay, that's it. And if
18 you're PBN is up to date, contractor officers
19 will reference that. Vet 100, all the bells and
20 whistles of compliance, equal opportunity,
21 whatever, everything else that is required, is
22 done one time as opposed to having to re-click

1 the reps and certs every time you bid a job.

2 That's what that is all about.

3 MR. BEDNARCZYK: Thank you. You're
4 absolutely right.

5 MS. JINKS-UMSTEAD: But that's not
6 always necessarily true. All of these agencies
7 use different systems, and a lot of this goes to
8 training and educating. And this is one of the
9 things that perhaps needs to be brought up to
10 the Department of Defense.

11 I know from personal experience
12 contracting officers aren't always made aware,
13 nor are people pursuing these various goals,
14 that they must meet this. This goes back to an
15 issue relative to how you get on-site because I
16 don't care how well you put it into the system,
17 if that training, if that monitoring, if that
18 results-oriented thing is not there, at the end,
19 you're simply putting in data that no one is
20 using.

21 Because there are many systems out
22 there. These systems don't all talk to each

1 other, but the major part here is that the

2 Department of Defense contracting agencies still
3 do not know about the law President Bush signed
4 into effect in October, 2004 with regards to
5 veterans service-connected disabilities. A lot
6 of this goes to education. You can go and use
7 all of these systems. I can guarantee you they
8 do not speak to each other, and I can also
9 guarantee you, you can put in as much data as
10 you want to, but if people are not educated,
11 people are not made aware and people are not
12 held accountable, you will not be pulled out of
13 the system.

14 MR. GOLDEN: I have to agree. If I
15 could, I have to agree with her. Plus, in a
16 way, they do talk to each other but not on a
17 good site. If you have information in CCR that
18 conflicts with your Vet 100 and Orca, everything
19 is held in limbo. Unless you can reach someone
20 on the phone, nothing will get changed. There's
21 been certain ones that want procurement and they
22 can't get into the system.

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1 If you do fill out these forms, I'm
2 saying once again -- and we have hundreds of
3 veteran-owned businesses in the Rolling Thunder
4 arena. We always tell our people please make

5 hard copies. That way, when you submit on
6 these, these will go in, you save them the time
7 of trying to break the door down in all these
8 various agencies.

9 We're being redundant. And like she
10 said, the agencies do not all use the same
11 procurement system. You're very good, ma'am.
12 Thank you.

13 MR. ELMORE: Mr. Chairman, I will
14 make the comment, he is tied up, you might want
15 to ask Teresa when she gets back or perhaps one
16 of the other agencies, it strikes me when you
17 talk about the federal procurement portal, SBA
18 has a role, every agency has a role. But there
19 is also the office of federal procurement
20 policy. I can't sit here and tell you exactly
21 all their responsibilities and authority, but it
22 strikes me that as you talk about the broader

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1 approach to federal procurement, because there
2 is more than just for vets but for any small
3 business that's trying to get into this arena
4 successfully, that may be an area you need to
5 look at is the whole office of federal
6 procurement policy side which I think has some
7 oversight over all of these elements of the
8 federal procurement arena.

9 MR. BEDNARCZYK: Are you suggesting
10 though that we talk to them so that we could get
11 the full picture of everything that's engaged?
12 Because I still say we have to get back to your
13 website. Your website needs to be a source. If
14 you're saying you don't have enough background
15 in order to fill out your site to put in all the
16 requirements, then absolutely we should.

17 MR. ELMORE: I think it is probably
18 two or three things that play -- and I have made
19 a note to myself. If the committee would give
20 us a list of the sorts of things, you have
21 touched on today the Orca, and what steps one
22 needs to take to do that welcome to CCR, what's

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1 the next sort of things. Unless someone will
2 not allow us, we will put that together with
3 Teresa, and we will put it up on our site and
4 try to put it up on hers as well. But as you
5 get into the broader policy questions, you may
6 want to take a look at perhaps through your
7 procurement subcommittee sort of the roles that
8 OFP place in this. Because, again, in your
9 responsibility to make recommendations, it is
10 not limited to only SBA. But if you understood
11 that arena better than certainly I do, perhaps

12 there is some data you would bring into that mix
13 that would help affect the entire system, not
14 just the SBA, sort of step into that space.

15 MS. PAYNE: I have taken a note of
16 it, procurement committee.

17 DR. ROGERS: I have a suggestion.
18 Can we maybe turn the light off of that and
19 could I use the board for just a second, is that
20 possible? Do you have your marker?

21 I can talk to this. One of the
22 things is, I work with process management. What

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1 you're talking about right now, it sounds to me
2 like a value screen where we have a whole lot of
3 different groups out there that are doing -- we
4 have a policy group that is doing one set of key
5 words and setting initiatives, and then we have
6 other various groups doing various
7 interpretations along the way. We have no
8 central repository for this information to help
9 veteran businesses sort through this.

10 What I'm suggesting is that as a
11 panel agency, we're kind of becoming a body that
12 is sifting through some of this, and making
13 recommendations to your office. What we're
14 looking at is a one-stop shopping location for
15 this.

16 What I am suggesting is that maybe we
17 can lean this whole process. If our goal
18 becomes over the next year to instead of having
19 these multiple steps in here, if we have an
20 input step here, it goes so that we have maybe
21 policy looked at, and then maybe we go over here
22 and we have all the CCR, the other regulations,

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1 interpretations of what it means to do some of
2 these things, what are the actual requirements
3 to veterans listed here with the vet business
4 office or Bill's office, whatever the heck it's
5 called, now have it listed here as the one-stop
6 shopping piece to go, then you know, as a
7 veteran business owner, you're going to go to
8 CCR, and then you're going to go wherever else
9 you need to. But we have now just leaned that
10 process down. Instead of having to go to
11 multiple sites, we now find out there is a
12 policy agency governing some of this.

13 If we can get this over here to Bill
14 at SBA with links to different places and then
15 CCR being the place that all veteran businesses
16 go to, whether they are going to do business
17 with Government or not, I think that would help
18 us. I think that would help our veteran

19 businesses. And we become aware then of how
20 many of them are out there, and what their
21 issues are.

22 You also create a feedback loop up

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1 here, which will get to our panel so that we, as
2 a panel, are then aware of what some of these
3 issues are. And with Dennis as our fearless
4 leader chair, we can then begin, with all of our
5 partner representatives from the organizations,
6 to work on this.

7 Would that possibly be something
8 we're looking at base lining whatever
9 information we have now and moving forward in a
10 plan of value stream, of if you will, of where
11 -- what is the big picture, where do we want to
12 go.

13 I see your website being critical to
14 the success of getting where you need to go. We
15 need to understand where the policy pieces are,
16 and if you can pull that together.

17 MR. BEDNARCZYK: I think you hit the
18 nail on the head, Sarah. I think that's
19 precisely what need to be done and I think we
20 could do it maybe in two steps. Since the
21 agency has taken on the financial commitment to
22 redo the site, I think getting to the end point

1 on your diagram is critical for the redo, so
2 that when the site is redone, all of that is
3 built in, in an interim. To go from the policy
4 site to the link side is probably fairly simple
5 to do within the existing structure that we're
6 operating in. We could probably set up some
7 interim arrangement to at least guide the
8 veteran through part of the maze that you have
9 here and get maybe 50 or 70 percent of it just
10 by linkages and some pop up little descriptions
11 and stuff.

12 But I think it's critical, if we get
13 the web team in from SBA this afternoon, we
14 could then talk a little more distinctly about
15 what is going through our head and get their
16 comments here on the record, what they can help
17 us with in the near term, and then in the longer
18 term.

19 MR. ELMORE: I think as a follow-up,
20 and Dick, I'll throw it to you as you sort of
21 flesh out your recommendation, if you would walk
22 out of here even today with this at least

1 pencilled out, Dick is our representative on
2 this web committee at the agency. And I'm not
3 sure who is GCVD, and both of our offices can
4 push for this sort of template, if you will, on
5 how one identifies and get into and navigates
6 the system.

7 The other point I wanted to make is
8 Major Clark has just stepped into the room, and
9 Joe mentioned yesterday Major is the
10 contracting, if you will, expert in our office
11 of advocacy. If you go through this discussion,
12 you may want to engage him.

13 MAJOR CLARK: Good morning.

14 MR. BEDNARCZYK: Welcome.

15 MR. SNEIDER: Are you finished, Bill?

16 One of the issues in your diagram, Sarah, that
17 has to be bridged is there is a reason for the
18 links and the numerous links. While I'm sure
19 the outside world is looking at talking about
20 small business looking for the office of
21 business development for direct guidance, we're
22 not, at least I am speaking for myself, an

1 authority. For example, even though I have ten
2 years in the lending program, the dynamic way
3 that program has changed just in the last ten
4 years then to what the lending authority was

5 '04, '03, '05, we're relying on the program
6 office as the authority. So if we're talking
7 about CCR, we're talking about Pronet. We could
8 put a brief introductory blush, if you will,
9 statement about whether it's lending
10 procurement, CCR, but my opinion, rather than
11 maybe confusing, maybe to avoid a misstatement
12 as to where the program is specifically going,
13 again, whether it is procurement, whether it is
14 lending, that the official voice, the official
15 statement should be coming from that respective
16 program office.

17 I'm not saying there is not a way. I
18 understand the frustration. There needs to be a
19 way to bridge this, so far as being repetitive,
20 redundant in the OVD side or the direction that
21 they may be going.

22 MR. ELMORE: I think we can do that

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1 behind the scenes as well in cooperating with
2 our Government contracting office.

3 MS. HILL: I am Diane Hill. I am
4 from the Office of Government Contracting.
5 Teresa Lewis asked me to attend because of the
6 CCR and dynamic small business. I am the
7 contact point and liaison between SBA and CCR.

8 And she said there were some questions regarding
9 linking, and that you had just mentioned that
10 that I could be of some assistance if you have
11 any questions on that.

12 DR. ROGERS: Right now, we have --
13 can you pull that up, our site, the VA site.
14 Right now, we have Pronet.

15 MS. HILL: Pronet has been defunct.
16 Office of Management & Budget, three years ago,
17 asked us to roll everything into CCR and to
18 change the name of Pronet. So it's now the
19 dynamic small business search, so that is --
20 well, it should be CCR.

21 DR. ROGERS: You go through an awful
22 lot of stuff to ever find CCR on there. That's

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1 one of the things we're looking at is the
2 website, which is in the center of our value
3 stream. That's where we look at creating some
4 one-stop shopping to help veteran businesses of
5 all types get to CCR and get all of them to
6 register.

7 And what we've been thinking since
8 yesterday is CCR is the one, could be the one
9 database where we get all veteran businesses to
10 register, whether they intend to do business
11 with the Federal Government or not.

12 MS. HILL: Be aware the CCR is the
13 main payment method. You're also going to be --
14 we have lost because of some of the additional
15 information security information that is
16 requested of the companies, and specifically a
17 lot of banking information. So there can be
18 fund transfers.

19 As an example, our international
20 trade group here used to get all their companies
21 registered in Pronet. Well, since now everybody
22 has to go through this system, that takes quite

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1 awhile, and asks an awful lot of information, a
2 lot of companies who don't want to do business
3 with the Government have decided not to put
4 themselves into CCR.

5 DR. ROGERS: Well, the target market
6 that we're looking at is the guard and reserve
7 small business owners. A lot of them aren't
8 going to be doing business with overseas
9 companies. A lot of them are just small
10 businesses, like I am, like some of our members
11 are here.

12 MS. HILL: Right, and that's what CCR
13 is set up for.

14 DR. ROGERS: Whether they do business
15 with federal government or not, there are a lot
16 of them out there that have no understanding
17 about this. And this would at the same time
18 open opportunities for them to potentially do
19 business with the Federal Government in a wide
20 variety of agencies, and particularly DOD, which
21 uses CCR.

22 MS. HILL: Well, everybody, I will

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1 let you know now, it is also grants people is
2 using it, states are using it.

3 DR. ROGERS: And I have been through
4 the registration of it. Putting your bank
5 account information on there is real easy.

6 MS. HILL: But a lot of companies
7 don't want to give that up.

8 DR. ROGERS: If they are doing
9 overseas business, that's fine. It is not going
10 to affect the vast majority of small business
11 owners who are veterans like me, and I think I
12 am pretty representative of very small business.
13 You are a very small business too and a lot of
14 us are. None of us would be reticent to put our
15 bank number on there for routing information.

16 MS. HILL: If anybody plans to do
17 business with the Government and even primary

18 sub, they have to be in CCR. There is no if,
19 and or buts.

20 DR. ROGERS: Absolutely. There is a
21 fourth button down on the left, what we're
22 talking about is Pronet, Subnet, and Technet.

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1 We don't have CCR on there.

2 MS. HILL: Well, you should take off
3 Pronet completely and replace it with CCR.
4 That's all you do.

5 DR. ROGERS: That is what we're
6 recommending for the panel. And we see the
7 website for the Veterans Business Development
8 Office is really critical to the success of our
9 veterans and having that link over with you, as
10 your liaison to the CCR group.

11 MS. HILL: Okay. And I also want to
12 stress the dynamic small business portion of
13 CCR.

14 DR. ROGERS: Yes.

15 MS. HILL: The companies, when they
16 fill out their CCR application, once it comes up
17 that they are a small business, there is a
18 little area that says click here to complete
19 that portion of it. And a lot of companies
20 don't do that because they just want to get

21 through it fast.

22 MR. BEDNARCZYK: We're going to have

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1 to stop, only because we have a safety briefing.

2 We want to get this gentleman off to his other

3 duties, take a moment.

4 (Building Safety Presentation.)

5 MR. BEDNARCZYK: We're going to have

6 to close down this portion of the discussion.

7 We have been waiting for the Department of

8 Defense, who still has not arrived. We're going

9 to ask the Department of Veterans Affairs, who's
10 come here, to present.

11 At 1:00 this afternoon, for those of you
12 who are interested in this topic, we'll have
13 time this afternoon as a committee to continue
14 the discussions on this. And I invite anybody
15 back that would have interest in this particular
16 topic about the website, that we'll pick up the
17 conversation at that juncture. Thank you.

18 MR. RICHARDS: Quick question, if I
19 correct in my understanding that CCR is now the
20 place to go to register.

21 MS. HILL: Correct, not DOD, but
22 Government wide, and there is also Orca.

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1 MR. RAMIREZ: Good morning, ladies
2 and gentlemen. How are you? Richard Ramirez.
3 I am a senior business advisor with the Center
4 For Veterans Enterprise. I am standing in
5 today. My colleague, Bruce St. John -- we call
6 him Bruce almighty in the office, by the way.

7 DR. ROGERS: He didn't tell us that
8 yesterday.

9 MR. RAMIREZ: He wouldn't, but I
10 would. I am pleased to have the opportunity to
11 be here. I am obviously a stand-in. Scott
12 Dennison sends his best and brightest regards.
13 We all know that Scott travels a great deal, but
14 believe me, he got a call yesterday from the
15 Secretary and had to scoot out of town. Believe
16 me, he had planned to be here.

17 Most of you are very familiar with
18 the working operations of the CVE. Can I make
19 that as a reasonable assumption. If not, I'm
20 going to give you an overview for your benefit.
21 I have brought for the benefit of the committee
22 some information. First of all, it's an

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1 executive briefing catalog which I would like
2 every member of the committee to have and I'll

3 leave leftovers. Pardon the informality. How
4 many more do you need?

5 MR. BEDNARCZYK: We also need one for
6 Jerry.

7 MR. RAMIREZ: Likewise, in either
8 direction, I'll pass copies of the VA strategic
9 plan as it involves contracting with service
10 disabled veterans, and last but not least, a
11 printout of last year's economic business
12 accomplishments, which includes a figure that
13 we're very pleased about, and that is taking VA
14 contract awards percentages for veterans awarded
15 to almost 2.1 percent, which is a marked
16 increase from the year before, and quite
17 frankly, we feel is representative of who we are
18 as a department, and indicative of the teeth of
19 the deputy secretary's executive initiatives
20 regarding our strategic plan in response to the
21 President's executive order.

22 Let me discuss a little bit CVE. I

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1 see that I am being recorded.

2 MR. BEDNARCZYK: Yes. I hope that
3 doesn't change your remarks.

4 MR. RAMIREZ: No it doesn't. We're
5 all in this for one great cause, and that is
6 service to our veterans. I have a tendency to

7 espouse a lot of opinion in the course of my
8 job. That is my job. I am being paid to do
9 that.

10 There's a lot of people in this room
11 know I probably have more direct contact with
12 vets and service disabled vets who are looking
13 to do business. I can already see this morning
14 areas in which a lot of notes need to be
15 compared. The Center for Veterans Enterprise
16 operates a website called vetbusiness.gov, which
17 by it's very nature and name is intended to
18 become the primary focus for information on how
19 to open or expand the small business, and to do
20 business with the United States Government.
21 The very nature of vetbusiness.gov, although we
22 clearly coordinate and work very closely with

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1 the resources of Bill and his operations and the
2 systems programs of the SBA, there is a mantel
3 there that cannot be denied of vetbusiness.gov
4 is a stand alone in Government. How it evolved
5 that way, I don't know all the history, but
6 clearly, since veterans is our first name, it
7 seems very, very logical the Center for Veterans
8 Enterprise was clearly in response to the '99
9 legislation of Congress, which basically

10 admitted to the world that Government wasn't
11 doing enough to assist veterans in doing
12 business. That's a simple statement.

13 Leadership at VA at the time took the
14 very, very very bold move to create the Center
15 for Veterans Enterprise. It started as an
16 operation with just two people and as of today
17 we have how many?

18 MR. ST. JOHN: Fifteen.

19 MR. RAMIREZ: Fifteen people. We
20 invite you all to visit CVE, Center for Veterans
21 Enterprise just not next month because we're
22 knocking out walls. We're the most

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1 sophisticated call-in center in the United
2 States. With a touch of a button, we can
3 connect veterans to resources within his or her
4 community. It is so very sophisticated.

5 Of course, executive order also
6 assigned additional responsibilities to the CVE.
7 One, in particular we were very pleased to be a
8 part of was coordination with other agencies in
9 the development of their strategic plans. I
10 have to tell you right now that coordination has
11 been ideal. It's been a unique role that the
12 CVE has placed and scouted Angail Wagner in
13 particular as leaders of the organization. So

14 CVE stands as a unique synergistic operation
15 within the battleground, if you will, for
16 assisting veterans in business.

17 Contrary to popular belief, the CVE
18 is not a very a centric organization.
19 Certainly, our first responsibility is to hone
20 attention for those veterans looking to do
21 business with the Department of Veterans
22 Affairs, without a shadow of a doubt, but we

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1 kind of span the globe of our advocacy. We're
2 an organization without influence. We have no,
3 other than internal to the organization,
4 internal to the VA, we have no standing in
5 federal statute. Okay, do we, Bruce? No, we
6 don't. We're not referenced in any law that I
7 am aware of.

8 The history of the programs of the
9 department, while at one time touched and
10 assisted veterans, that is really not the
11 department's core mission. But given this law
12 and the unique opportunity that have we have
13 available to identify with veterans, the CVE was
14 created. It is an energy-charged place, it
15 really truly is. And in the years ahead, we're
16 going to see even more.

17 The CVE is about to unleash a
18 community advertising and promotional campaign
19 to reach the public on this, an agency-wide

20 program to continue to educate our contracting
21 officers and program managers, and our outreach
22 is becoming rather extensive. As I have said

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1 before, while the department is not in the game
2 of rule making, all the rules that apply to
3 providing assistance to veterans and to service
4 disabled veterans, and certainly to the very
5 important set aside programs of the Government,
6 those are all the framework of the Small
7 Business Administration, what goes on in this
8 room.

9 I like to think, however, that while
10 the SBA is the keeper of the rules and the
11 regulations, and the primary law driver in this
12 area, that the VA is also the keeper of the
13 flame. Okay. That is the role we feel in
14 working in tandem with SBA.

15 As you can tell, my remarks are off
16 the cuff this morning because I really didn't
17 know that I was going to be here. I brought
18 bumper stickers for everybody. And I think it
19 is probably more appropriate that I entertain

20 questions and what have you.

21 DR. ROGERS: I was wondering if you
22 could go over this sheet that you have here?

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1 And I was wondering, is this expressing the VA's
2 current, current employment of using veterans in
3 veteran-owned small businesses in their own
4 projects, in their own work right now?

5 MR. ST. JOHN: Yes, that is VA
6 documents.

7 MR. RAMIREZ: That's for the last
8 fiscal year.

9 DR. ROGERS: And I know this is a big
10 improvement over the past year.

11 MR. RAMIREZ: It is. It is almost an
12 entire percentage point.

13 MR. ST. JOHN: It almost doubled in
14 dollars. Veterans like dollars because you can
15 spend dollars. You can't spend percents.
16 We have gone from about \$36,000,000 in 2003 to
17 now to over \$130,000,000 for fiscal year 2004
18 and 200 and some, 210, I think, in fiscal year
19 2005. So if you look at the growth in dollars,
20 growth in do the dollars is pretty fast.

21 MR. BEDNARCZYK: Sir, I have two
22 questions. You mentioned how independent the

1 Veteran Enterprise Center is. Your budget for
2 the Veterans Enterprise Center, where does it
3 come from and how much is it and how is it
4 allocated?

5 MR. RAMIREZ: We're not funded.
6 First of all, we're not appropriated. It's a
7 non-appropriated activity.

8 MR. BEDNARCZYK: So it just comes
9 from within the VA budget?

10 MR. RAMIREZ: Our program monies come
11 from the industrial fund within the agency. If
12 you will, we're a piggy back organization to the
13 contracting function overrides. That's what we
14 call the industrial fund within the office of
15 material management and procurement within the
16 department. Very generous, I might point out,
17 and it strikes to the heart of VA recognizing
18 the needs for us to stay in the forefront of
19 providing assistance to veterans.

20 At the present time, we're not
21 appropriated. Ironically though, we have been
22 recognized by the President. The most recent

1 executive order charged us to get out there,

2 take leadership, coordination with Bill and
3 Teresa's shops in the area of contracting but it
4 also put an interesting caveat in there in that
5 the President has charged the VA, specifically,
6 the Center for Veterans Enterprise, to validate
7 the accuracy of the service disabled veteran
8 business database. We're trying to figure out
9 the best way to do that and approach to that. I
10 was listening with both of my bad army ears at
11 this morning's discussion of CCR and what have
12 you.

13 MR. BEDNARCZYK: The second question
14 I have is, just today in USA Today, there was an
15 article about veterans and the VA, and some of
16 the proposals on the hill for benefits, etc.,
17 Not from that direction. But since the budget
18 is internal to fund the enterprise, do you feel
19 that those funds will always be made available
20 to you under the pressures that the VA faces for
21 supplying benefits for it's core mission? And
22 is there anything here that this committee can

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1 do to help you to continue your path, because it
2 sound like it's the proper one.

3 MR. RAMIREZ: Thank you for saying
4 that. We feel that way. I don't see any

5 potential for funding threats to our
6 organization. First of all, most importantly,
7 VA has grasped this internally. This is a deep
8 internal obligation of the department. It would
9 be -- it would be kind of lunacy in a way. What
10 has been started is really very, very, very
11 significant. To turn it back would be totally
12 inappropriate, not only as we're seeing more and
13 more veterans turn for assistance in
14 establishing businesses and expanding businesses
15 and turning to the federal marketplace.
16 The organization and what we stand for has quite
17 simply become too vital. We can do things in
18 ways that perhaps SBA can't in reaching the
19 veterans business community.

20 The interesting thing is that
21 carrying that torch can get pretty heavy, as
22 Bill well knows, but it's a very valiant crew.

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1 Mostly all the staff, including my staff,
2 including Bruce, are veterans.

3 MR. BEDNARCZYK: Right. Yes. For
4 the committee's benefit, you mentioned, Bruce,
5 you felt you went from 36,000,000 to 130,000,000
6 of awards to veteran businesses. Help us
7 understand how you did it. If you had to pick

8 three items, what were the three items that made
9 the difference?

10 MR. RAMIREZ: I think, for starters,
11 the Secretary's memorandum. This is the most
12 comprehensive strategic plan responses. It was
13 also the first in the agency, that and
14 awareness. The department's a huge place,
15 223,000 people, something like that, the largest
16 health care system in the world. Turn over the
17 contracting personnel which is happening
18 throughout Government, not just the VA. So it
19 is getting the word out, getting the cultivation
20 out.

21 And I have to respond to what the
22 good lady mentioned or somebody made mention

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1 here about the sometimes stigma of service
2 disabled anything, service disabled veteran.
3 That stigma has existed, and it's our job to
4 eradicate that, eradicate that by being able to
5 demonstrate more important the companies in our
6 portfolio, the companies in these programs are
7 some real top notch performers.

8 And as the business community is
9 starting to recognize that being service
10 disabled has nothing to do with one's

11 necessarily ability to manage a company, I think
12 that's gone a long way.

13 MR. BEDNARCZYK: To summarize,
14 obviously, the administrators and the agencies
15 direct -- I hate to use the word memorandum, had
16 some impact. I missed the other two. If you
17 could put them into some kind of bullet form.

18 MR. RAMIREZ: I say the
19 administrators strong -- excuse me, deputy
20 secretary's strong emphasis on the program, the
21 education of the contracting community, and
22 thirdly, the maturation of the service disabled,

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1 veteran-owned small business community, it has
2 taken a while to grow this cadre and to have
3 them recognized and to have these companies come
4 forward.

5 I think perhaps the third thing is
6 the greatest. And I also would have to note the
7 increased emphasis of GSA. We're seeing real
8 significant awards piling up through the GSA
9 contract schedule, which points me to one
10 observation that's not unique, unique to this
11 program that we all share but does pose an issue
12 to the policy, with all due respect to any
13 business owner who is looking to do business
14 with the Government, if you're going about to

15 register in CCR for the first time and you don't
16 know what an employer identification number is
17 or a Dunns number is, or what a cage code might
18 be, etc., etc., you're probably in the wrong
19 pew.

20 One of the things that is vital to
21 the success of this program, and I have talked
22 about this with Bill and others, and I come from

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1 a business background as well as procurement
2 background, for many early years, in this
3 program there was a great sense that three
4 percent was going to fall from the sky for
5 service disabled veterans.

6 I have talked to more gentlemen and
7 ladies who have lost their shirt with that
8 expectation. I want to repeat that the emphasis
9 and the policy of the Center for Veteran
10 Enterprise is to recommend and coach that doing
11 business with the United States Government is
12 not for start-ups. It is not for novice
13 entrepreneurs, and this program is not a
14 business development program.

15 DR. ROGERS: You know, I have had a
16 business for now a year-and-a-half. I started
17 out as a veteran-owned business, started up, and

18 I am here to tell you it can work and it can
19 happen.

20 MR. RAMIREZ: There are -- and I hate
21 to make blanket statements, there are exceptions
22 to every year. If a company or person comes

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1 along and you have a unique market and unique
2 capability.

3 DR. ROGERS: Well, one of the things,
4 looking, I think, at a new target market here
5 for all these kind of services of veterans who
6 are currently in the garden research who own
7 businesses are going to start them are recent
8 retirees like me. And it's not that we're
9 coming in necessarily as a brand new start-up
10 with no experience. We're from DOD. We're from
11 federal service. So we come from the caches of
12 history. It's just that we happen to own a new
13 business. We already come from the experience
14 and the knowledge base. We're a unique sort of
15 hybrid, and I would suggest that certainly we
16 want to make sure and talk about service
17 disabled veteran businesses certainly, and the
18 President certainly has emphasis on this, but we
19 also want to be looking at these garden research
20 businesses out there and veteran-owned
21 businesses, and make sure that we're marketing

22 to that group, that they are taking risks.

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1 They are risk takers, most vets are. They are
2 willing to start up a business and their rate of
3 success, as we saw in our base line data
4 yesterday, is significantly higher than any
5 other individual who would come into the
6 American marketplace and try to start up a
7 business.

8 So I would encourage you, and I think
9 most of the panel might agree, that we want to
10 look at all veterans and we do want to encourage
11 you to have information there for the start-ups.

12 MR. RAMIREZ: We do. We do, by the
13 thousands of calls we get, and obviously, we're
14 not trying to discourage entrepreneurship, by no
15 stretch of the imagination. We recognize that
16 veterans, particularly men and woman coming out
17 today with their technology background and
18 skills, you're talking about all natural made
19 entrepreneurs.

20 Where we like to draw the line as
21 advisors to veterans in business is a great
22 cautionary line concerning Government

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1 contracting. That is a different field where
2 past performance, credit history, that you must
3 establish as an entity, not just a retired or
4 valiant war history, but know your marks.

5 Some of the most different things
6 that I have to do with Bruce, the whole staff,
7 is when we get calls from the reservists just
8 back and lost his or her business, you're
9 talking some real tragedies. It's not just the
10 service to the country and time spent away from
11 the family. It is a loss of livelihood.

12 America is a land of free
13 opportunity. Well, it is only free for one
14 reason, and we all know it is because of the
15 work of our men and women in uniforms. Not to
16 be able to write them a check is my closing
17 comment, every day, I must say it a thousand
18 times, I wish I could have written you a check
19 but the best thing I can do is give you accurate
20 information, advice, point you to the portals,
21 make sure you get the information, make sure you
22 get the appointment you need.

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1 We also have the distinction of
2 communicating with men and women who are in the
3 battlefield, believe it or not.

4 DR. ROGERS: Do you also do any kind
5 of liaison work with the large companies that
6 serve as primes with the Federal Government in
7 linking them with these new businesses? I am
8 representative of that particular thing. I am
9 getting my own contract now with the Federal
10 Government, but you're right about the history
11 thing.

12 MR. RAMIREZ: We have a very, very
13 aggressive approach, an aggressive outreach
14 program with major contractors, General
15 Electric, SAIC. Again, we're doing this as
16 keepers of the flame, not that we have any
17 authority over these contractors, but what we're
18 finding, again, as a professional observation,
19 there is a growing sensitivity to veterans in
20 business, to veterans in general.

21 I think we all started to see that
22 curve change during the Gulf War, and certainly

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1 in post 9-11 times. I think the climate is
2 absolutely perfect for enhancing veteran
3 entrepreneurship across the country, not just
4 contracting and franchising and sub contracting
5 opportunities. I personally think the flavor of
6 the era starts with VA. Yes, ma'am.

7 MS. PAYNE: I do applaud your
8 progress. It is wonderful. The areas that are
9 deficient or marginal, what is your plan for
10 getting them up to speed?

11 MR. RAMIREZ: I know the director has
12 got a very aggressive plan. It is just
13 continued education. This is what it takes.
14 It is about educating. You'd be surprised the
15 people in VA that are not as acutely aware of
16 this program and they should be. That is a
17 reality.

18 It's just driving it home, putting it
19 over the top, and understand that the VA's
20 objective is not just a mere three percent. it
21 will be firecrackers when this happens but the
22 objective is to go beyond. And as far as I can

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1 see, nobody's set the limit on how far the VA
2 wants to go. It is just the nature of the
3 mission, and it's about time.

4 MS. PAYNE: So you just work
5 on-on-one with those different regions?

6 MR. RAMIREZ: Yes. The different
7 buying activity, and some of them have a very
8 difficult time, depending on where they are
9 located, and we have to take that into account
10 too. I think that's real progress.

11 And guys like Scott over here in the
12 veterans business community have done a lot to
13 keep us on our toes.

14 MS. JINKS-UMSTEAD: One of the words
15 you used here which was key, something I had
16 written down on paper, is reality. There is a
17 reality to doing business, no matter where you
18 do that business, and how you go about doing
19 that. The Government procurement process, no
20 matter what kind of background you have with the
21 Government, is a cumbersome process. There is
22 no getting around that. And the approach that

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1 you take in doing contracting with the
2 Government is going to be key to how whether or
3 not you succeed with regards to the education
4 that you have.

5 I think it's interesting that you
6 pointed out several different approaches that
7 you take with contracts to sub contracting
8 mentoring and all of that because this process
9 may not be for everyone, any more than it would
10 be for everyone out in private and public
11 sector.

12 So I want to applaud you on that,
13 because I think you are facing the reality and

14 you are looking at this in the sense that
15 education is going to be one of the key factors
16 in not only getting the Government turned around
17 and how it goes about interacting with your
18 group, but educating your own groups, in terms
19 of the success that they will have later on down
20 the road. It is a very cumbersome process.

21 MR. RAMIREZ: On behalf of the
22 organization, that is high flattery. Respect is

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1 core. We're not going to take some veteran in
2 the door that has aspirations to start a
3 business, just out of service. How many
4 veterans, first of all do you know that leave
5 military service with any money?

6 DR. ROGERS: I know a bunch of them
7 that do.

8 MR. RAMIREZ: Some do, but it's not
9 all about money.

10 DR. ROGERS: If you are deployed in
11 the Navy, you have some money in your pocket.

12 MR. RAMIREZ: There are aspects of
13 this program that are not qualifying in the
14 theatre of opportunity. And what we try to do
15 is to bring into the reality. And then after

16 all the reality checks have been gone through,

17 if the veteran still wants to go for it, let's
18 go. The information's available but I thank you
19 for that comment.

20 MR. BEDNARCZYK: I just want to add a
21 comment of my own. I view doing work with the
22 Federal Government as the ultimate survivors of

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1 the reality game.

2 MR. BEDNARCZYK: Scott.

3 MR. GOLDEN: I had one question. I
4 have to thank, especially CVE, Scott Dennison,
5 those guys are my heros. Also Fred Downs that
6 we met with on January 4th. I have had the

7 reports for a few weeks. I do notice if you
8 look at your column for small business amount,
9 beside the column for small business, and add
10 the column from left to right, they don't add
11 up. Their numbers have gotten good at double,
12 triple counting. And if won't hold water, it
13 won't float. I'm an old Navy guy.

14 MR. RAMIREZ: I anticipated this is
15 partially correct. The double counting issue is
16 a subject I won't touch. I won't say it's above
17 my pay grade. It is a very big policy thing.
18 We do recognize every contracting activity has
19 this difficulty. There is a tremendous

20 struggle, there is a competition. And this is
21 not just VA. This is Government wide, the VAAA,
22 service disabled veteran competition if you

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1 will, a goodly number of our awards are to
2 companies through the AA program where the
3 entrepreneur also happens to be a service
4 disabled veteran. But the greatest growth we're
5 seeing Government wide is not necessarily
6 through set asides, and certainly not sole
7 source. It is through the pounding efforts of
8 the entrepreneurs under GSA federal schedule.

9 MR. BEDNARCZYK: We will watch your
10 statistics, but we applaud the VA. We're going
11 to end the VA session now, last question.

12 MS. LEWIS: Teresa Lewis. Richard, I
13 just wanted to ask you a quick question.
14 Probably half of the complaints that I get are
15 from veterans who are trying to do business. A
16 lot of times when I speak with contracting
17 officers, they don't fully understand how the
18 program works. Is there developed any kind of
19 training program to help so they can probably
20 award contracts to service disabled veterans?

21 MR. RAMIREZ: We're going through a
22 big update in that training too. We reviewed

1 last week a special video that we have had
2 produced that will be broadcast throughout VA.
3 We're about to institute on-line training for
4 all contracting people. As mentioned, Fred
5 Downs, who is the chief logistics officer for
6 the entire VA, I rather happen to think that
7 Dr. Downs is going to make some real significant
8 changes.

9 MR. GOLDEN: We agree. Good man.

10 MR. RAMIREZ: For the benefit of the
11 committee only, I brought you each a token of
12 our thanks. The rest of you all can get bumper
13 stickers, but for the members of the committee
14 only, we have our very special CVE coin. These
15 are not given out to anybody. We actually had
16 to sign a log and estimate as to how many I'm
17 giving out. So I'd like for you each to have
18 one.

19 MR. BEDNARCZYK: Can I ask you one
20 favor, this issue of validation of CCR, it's
21 been a topic of this committee over several
22 meetings to talk about validating

1 service-disabled veteran businesses.

2 Can we ask that as you proceed through a process
3 to determine how you do that, that you'll report
4 to this committee and ask us for comments on how
5 we might be able to assist you?

6 MR. RAMIREZ: I certainly could make
7 that commitment, without a shadow of a doubt.
8 I was surprised nobody asked that question.

9 MR. ST. JOHN: Our studies suggest
10 that the data in CCR is very, very -- what is a
11 polite word, bad, inaccurate. And this is not
12 the fault of CCR. It is because the data comes
13 from the people entering it who don't pay
14 attention to updating it, so it is subject to
15 all the issues of data aging.

16 We're making a special effort to
17 assess the quality data in the vet business
18 database, increase the quality to the vet
19 business database, and also we're starting a
20 verification program in which we're trying to
21 verify the veteran's status. Right now, we
22 don't have legal authority to require people to

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1 provide data so we're trying to experiment with
2 implementing this on a voluntary basis, the
3 carrot being that your record will be listed as
4 validated, and that has some benefit to you.

5 MR. BEDNARCZYK: It is very important

6 to this committee, Bruce. And the only reason I
7 say this, this committee would be mustered via a
8 teleconference. We would like to be part of
9 maybe not the initial work that you do but to be
10 apprised of where you are headed with the
11 validation because we want to support that.

12 We believe that validation is an
13 issue. On the other hand, we also acknowledge
14 the fact that there is a self certification
15 process and we're trying to find a happy medium
16 ourselves, as to how we can get validation
17 without certification, if you will. And you may
18 be a way to make that happen.

19 I think we would like to be part of
20 it in some shape or form. I will let you define
21 how that happens.

22 MR. RAMIREZ: The key, as far as

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1 we're concerned and we're open to advice and
2 counsel on this, believe me, the lawyers have
3 been doing this and we have counseled with
4 veterans. All we're doing is validating
5 veterans or service-disabled veteran status.
6 The key to it is VV, voluntary validation. We
7 cannot make or require that a veteran submit to
8 the process, but if he or she would like for the

9 CVE through a protocol that is, first of all,
10 respective and private and everything else being
11 able to validate that that person's identity is
12 that of a veteran or service-disabled veteran,
13 that's what is in process.

14 I think that's going to reduce a lot
15 of the numbers in CCR. My estimate is over
16 3,000. I could be wrong but I don't know.

17 MR. ST. JOHN: We're not fighting
18 against CCR. We're actually in contact. We had
19 a meeting two or three weeks ago.

20 MR. BEDNARCZYK: I am going to have
21 to close down this portion of the meeting. Like
22 I said, it is a critical issue of this committee

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1 to be engaged in any way we can help you, even
2 as a sounding board, maybe to talk about ideas.

3 We applaud you once again and we
4 thank you for attending. We're going to take a
5 break in about 15 minutes.

6 Major, we're going to turn the podium
7 over to you.

8 MAJOR CLARK: Thank you. I will take
9 about two minutes. If you're like me, you
10 definitely need a break.

11 My name is Major Clark. I am with
12 the SBA Office of Advocacy.

13 MR. BEDNARCZYK: I'm sorry. If
14 you're going to have a side meeting, it will
15 have to be outside.

16 MAJOR CLARK: I am with the SBA
17 Office of Advocacy. Yesterday, you had the
18 distinct pleasure of my colleague, Joe Zobota,

19 who talked with you. And Joe actually is the
20 one who kind of keeps me straight, between joe
21 and Bill.

22 I wanted to do two things, if I may.

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1 I brought with me a handout, and I have enough
2 for each of you. One of the things that I have
3 been involved with in the office of advocacy is
4 procurement, but also procurement from the
5 regulatory side. And one of the things as I
6 listen to all that you're talking about, and I
7 know that you're trying to pull all of these
8 different pieces together, but as we do that,
9 the procurement process continues to move on.
10 And if there are changes that are constantly
11 being developed and implemented and proposed,
12 and if we're not part of that process to respond
13 to those changes, what we find is that at the
14 end of the day, all these things we're talking

15 about here simply become secondary to the
16 process.

17 I am speaking about the FAR and the
18 various regulations primarily. Diane and I were
19 just talking at the end of her presentation
20 about CCR and how CCR is now moving to be tied
21 into the entire federal Government's financial
22 management system which basically means with

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1 your cage number and all these different
2 numbers. If any of you as contractors owe the
3 Federal Government any money, the Federal
4 Government will be able to stop payment on
5 whatever contract you may have won until they
6 are able to recoup the money that you owe them,
7 student loans or whatever .

8 So it's very important that we
9 understand how these things begin to link. And
10 what I have just passed out, at advocacy, we
11 have what is called a red alert page. Joe said
12 he did not have an opportunity yesterday because
13 the system was not up but if someone can -- you
14 do that, Joe.

15 Go to our web page. Anyway, our
16 wedge page, if you go down under regulatory
17 policy, you see regulatory alerts. What we
18 attempt to do, as these proposed regulations

19 come out, we attempt to put them on this
20 website, and we encourage the business community
21 to look at these regulations, provide us a post
22 assessment of the proposed registrations as to

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1 whether or not they hurt, harm, or are
2 indifferent. Then we in the regulatory process,
3 we provide the agency with a formal comment
4 letter.

5 The office of advocacy has received
6 presidential -- the President has, basically,
7 issued an executive order. And we have
8 statutory language, we work very closely with
9 the legislative arms of the various agencies to
10 make sure that whatever regulations they are
11 trying to implement, they have the least impact
12 as possible on small business.

13 And I say this because too often we
14 talk about statutes, we talk about laws, but
15 most of these laws ultimately result in
16 regulations. And generally what we find is that
17 the regulations are the areas in which small
18 businesses, service-disabled veterans,
19 veteran-owned businesses have their particular
20 problems. And so it's very important that we
21 focus not only on laws that are going through

22 Congress, but also we focus on how agencies

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1 bring these laws into a regulatory, day-to-day
2 implementation format.

3 MR. BEDNARCZYK: Major, may I stop
4 you for one second. Bill, from your
5 organization's point of view, does your
6 organization monitor this?

7 MR. DOZIER: Yes. We also write
8 resolutions. We also advise.

9 MR. BEDNARCZYK: Good. This is
10 important.

11 MAJOR CLARK: We have been trying to
12 spread the word, and lots of organizations are
13 involved.

14 MR. BEDNARCZYK: Joe, your
15 organization does as well, okay.

16 MAJOR CLARK: One reason I brought
17 this today, there is the very top regulation
18 under procurement, Department of Veteran Affairs
19 is proposing is revise is the entire acquisition
20 regulation document. In general, it's not
21 necessarily bad for an agency to revise its
22 entire acquisition regulation, but with any

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1 process, things are dropped, things are missed,
2 things are considered to be less important today
3 than they were when the regulation was actually
4 put in place. So it is very important, and I am
5 urging every group that I talk with to look at
6 this and make sure that what is being proposed
7 has not changed in a way that will adversely
8 impact the small business community.

9 There is a process now of moving what
10 is considered to be non-regulatory matter to a
11 policy document, and that's not necessarily all
12 bad, and there are situations in which there are
13 regulatory aspects that are attempted to be
14 moved to the policy document which creates
15 problems. So I ask you to read it. It's a very
16 long document. You don't have to read every
17 page, but basically, if you have a chance, go
18 through it, see the parts that are actually very
19 significant. And if there are any comments that
20 you have, please feel free to get to me.

21 My information is up there on the
22 website, in terms of e-mail address as well as

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1 telephone number. And if you forget that, get
2 to Bill. Bill comes up to our office about 6:30
3 in the morning most mornings. He knows we're

4 there.

5 The other thing I would urge in terms
6 of this website here is to make sure that if
7 you're interested in getting advocacy
8 information, the studies that Joe's involved
9 with all, the other things that we're doing and
10 to also be electronically informed of these so
11 that you don't have to wait for the paper to
12 come, the mail to come, fill out this card.
13 This puts you on our list serve and this stuff
14 pops to you much more quickly than the regular
15 mail.

16 Thank you.

17 MR. BEDNARCZYK: Major, I have just
18 one question. I'm going to ask this because I
19 am naive. The issue that we're faced with on
20 the committee is the wording and policy of the
21 shall and will or shall and may story.
22 What role do you play.

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1 MAJOR CLARK: Can I excuse myself? I
2 know this is on record.

3 MR. BEDNARCZYK: Can your
4 organization help us in that matter and how
5 would that be?

6 MAJOR CLARK: The office of advocacy
7 clearly has ability to work with all groups in
8 this regard. It has ability to work with the
9 chief counsel. It has ability, whether it is
10 chief counsel, Tom Sullivan or whomever may be
11 the chief counsel, by statute, they have the
12 ability to work with the legislative process.
13 So I think in that regard, the way we would work
14 to try to fashion what becomes a consensus of
15 the individuals that are impacted and trying to
16 work with that process.

17 Part of what we do and sometimes how
18 we do it, as Joe has done, is through various
19 studies in which the studies provide the
20 research base for future action. We testify or
21 chief counsel has testified numerous times on
22 the hill on various issues, but we try to work

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1 within a data framework, in terms of the issuing
2 and feeling that that data serves really as the
3 foundation for whatever policy decisions may
4 take place.

5 So our ability to work is really open
6 ended. I think, however, it has to be framed
7 within a context of what comes to be the general
8 consensus of the groups as to what should or
9 shouldn't occur.

10 MR. BEDNARCZYK: If you could put it
11 in layman's.

12 MAJOR CLARK: I would. If I may
13 respond to that and do it in the context of
14 another item that I would urge you to take some
15 look at as you move through all of these
16 different things that you should look at,
17 Congress, several years ago, empowered a group
18 called the service acquisition advisory panel
19 and that service acquisition advisory panel is a
20 cross cutting panel made up of Government as
21 well as private sector folks and they are to
22 report to Congress on changes that need to take

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1 place in the service acquisition arena.
2 For example, commercial acquisitions, SBA, as
3 part of that panel.

4 The first draft of the panel's
5 report, I believe, has now been published. This
6 is a public panel, as you are, and there is
7 public testimony and so forth. The first draft,
8 I believe, has been put up on the website for
9 comment.

10 I would urge you to look at some of
11 those, to look at those reports, especially as
12 it affects some of the things that you're

13 talking about and the questions you just raised.
14 And that panel may also be a departure for you
15 to actually put some input, in terms of some of
16 the concerns and opportunities that you see that
17 needs to occur.

18 MR. BEDNARCZYK: Does your advocacy
19 group work with this panel?

20 MAJOR CLARK: The office of advocacy,
21 yes. I have been -- I have been fortunate in
22 that Chief Counsel Sullivan has allowed me to

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1 serve as a resource, a staff resource, to the
2 panel. SBA, what we call big SBA is part of
3 that advisory panel.

4 MR. BEDNARCZYK: But in terms of this
5 maze, the service acquisition service panel is
6 chartered. I think what you said if changes
7 need to be made that need to take place in the
8 federal acquisition process, and you
9 representing from the SBA's point of view, and
10 advocacy -- if there is an outcry from
11 individual groups or whatever in something in
12 the federal acquisition process that needs to be
13 changed, would you champion that as advocacy
14 group to this panel?

15 MAJOR CLARK: Well, I think the way
16 the panel operates is the panel actually has had

17 a series of public hearings in which individuals
18 from the public actually come in and presented
19 testimony. I think the panel will continue to
20 at various times hold public hearings.

21 Some of the things that you were
22 talking about have been considered or at least

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1 been discussed. So to advocate for it in the
2 sense of being the one trying to push the rock
3 down the road, has some limitations, and
4 limitations are basically because it is a public
5 form, the body, the individuals have voting
6 rights. So it is very important for the group
7 itself that is advocating certain types of
8 changes, it is very important for that group to
9 come forward and make the formal presentation so
10 that body understands exactly what the issues
11 are.

12 MR. BEDNARCZYK: But us as a
13 committee under the SBA, if we so voted to move
14 this issue of shall, will, and may, being part
15 of SBA, would we present our case to you, and
16 you would then carry this forward to this
17 service acquisition panel?

18 MAJOR CLARK: No.

19 MR. BEDNARCZYK: Or do we go direct

20 to the panel ourselves with our heading as and
21 SBA advisory committee? I need your guidance as
22 to what you feel the best way to do this is.

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1 MAJOR CLARK: Sure. Currently, the
2 office of general counsel is the official
3 representative to that panel. As I said
4 earlier, I am one of the staff persons assigned
5 to assist him.

6 My recommendation would be that you
7 have that conversation with the general counsel,
8 and from that point, from the general counsel,
9 then serve as the conduit, if you will, for
10 pushing this to the panel members and perhaps
11 setting up an opportunity for a presentation as
12 to why this needs -- this change needs to occur.

13 MS. PAYNE: You mentioned the fact
14 that you needed data to support it. So if we
15 could get all the Government agencies saying
16 they can't meet the qualifications of the
17 executive order, we can't do it under the
18 current thing. And if you change the wording,
19 that would be our conduit to meet the goal.
20 Would that be enough data for you?

21 MAJOR CLARK: The need for data is a
22 multiple function in this situation because what

1 you're proposing to do is to change law. And so
2 this particular group, the advisory panel, is a
3 group created by Congress. It will make its
4 recommendations to Congress. Congress then --
5 still the same group that passed the law
6 originally, will be the same group that now has
7 to look at these recommendations to make a
8 determination as to whether they will or will
9 not comply with the panel's recommendations.
10 But what I'm saying, in terms of the need for
11 data, is clearly that subsequent to the passage

12 of the law, there has been a lot of situation on
13 the issue of may versus shall.

14 And if those discussions can in fact
15 be framed in the context of support for the
16 change, then that is clearly one element that is
17 necessary as you move forward. I'm saying the
18 data becomes much more of an objective approach
19 than simply saying --

20 MR. BEDNARCZYK: Than an emotional
21 subject.

22 MAJOR CLARK: That is an emotional or

1 subjective one. Now, whether or not the amount
2 of data of all procurement agencies, we can't do
3 it, I think that's one element but at some point
4 the Congress has to say what it intended to mean
5 by that language as well.

6 MR. BEDNARCZYK: Major, we thank you
7 for attending. We thank you for the work that
8 you've done. We're certainly very interested in
9 chapter five of your study. Joe presented it
10 yesterday and we certainly will be looking at
11 that because that will add a lot of information
12 to what we're doing and also give us some
13 guidance and some benchmarking to use as well.

14 I'm going to adjourn. Not adjourn
15 but I'm going to set us into a break. We will
16 get back here. Is there someone here from
17 Homeland Security and the Department of Defense?

18 MR. ST. JOHN: DOD. Bill and Teresa
19 probably know as much. And we work frequently
20 with Air Force and Army and DLA. I can tell you
21 what I know.

22 MR. BEDNARCZYK: Actually, that was

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1 not the purpose for inviting you. We were very
2 happy with your presentation. We wanted to hear
3 it from the horse's mouth.

4 We're going to take a 15-minute

5 break and we will come back and reconvene.

6 (Short Recess.)

7 MR. BEDNARCZYK: Okay. We're back on
8 the record. Our next agenda item is the
9 Department of Defense. And Bill, have you had
10 heard from anybody?

11 MR. DOZIER: I have not. We did
12 communicate with them, and by completely clear
13 reasons, they will not here today.

14 MR. BEDNARCZYK: Then we will move
15 on. Teresa Lewis from the SBA. I have asked
16 Teresa for some impromptu comments about the
17 work that her particular group has been involved
18 in recently and to report to the committee. She
19 normally has a warm spot here during our
20 sessions to bring us up to date.

21 MS. LEWIS: I do thank you very much
22 and it's good to be here always. I apologize

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1 that I was not here yesterday. Let's see, I did
2 make a couple notes. There's a couple things I
3 want to share with you, some for the record,
4 some are not. I will share for the record
5 first.

6 The reporting requirements to the
7 agencies, those have been extended until January

8 31st.

9 MR. ELMORE: You might back up and
10 let them know what reporting requirements you're
11 talking about.

12 MS. LEWIS: Absolutely. The
13 executive orders mandated that the agencies
14 report to SBA on their accomplishments in
15 achieving their goals and strategies that were
16 submitted on their initial implementation,
17 strategies and plans that available on the SBA
18 website. And so I had originally developed
19 reporting requirements and sent them out in
20 July. And everyone, I guess, was just so busy
21 that they never really looked at them until they
22 were due, which was January 31st. And so in

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1 December or January --

2 MR. ELMORE: December, I think it
3 was.

4 MS. LEWIS: The agencies contacted me
5 because now, you know, we're pressing this
6 deadline, and said, we have a problem with some
7 of your requirements. They felt they were a bit
8 too stringent. In particular, the data
9 requirements that I asked for because I asked
10 them to one, give me the dollar amounts awarded
11 for the previous fiscal year and the number of

12 contractors, and I also asked them to validate
13 the sub contracting data as well.

14 And so they felt that I could use the
15 automated systems. We had a meeting with some
16 representatives. Well, let me back up. The
17 agencies have a monthly meeting of the veteran
18 program managers which is hosted at the VA. And
19 it was at that meeting where a lot of the
20 discontent with the requirements came up.

21 So what I asked is that a few members
22 -- myself and Bill invited a few members of that

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1 committee. We didn't want everybody. We wanted
2 really constructive members that could give us
3 some feedback. So there were about five, I
4 think. We came over and we met here and
5 discussed the requirements. They really didn't
6 have a problem with the textural requests. They
7 just had a problem with the data requests. They
8 asked that we use the automated systems already
9 in place.

10 The FPD SNG as well as new ERRR are
11 electronic sub authorizing reporting system
12 data. What we agreed to is that I would extract
13 that data and then we would see what we were
14 having to glean from that data for this fiscal

15 year. And then if necessary, if they did not
16 provide us with the information that we need,
17 that we would then modify the reporting
18 requirements. They asked that I did not publish
19 the contact information for the designated
20 senior level official which I had asked for.
21 They also asked that I did not publish the
22 regulatory recommendations, that they were

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1 regulatory and legislative regulations, because
2 I did ask them if they had suggestions on how to
3 improve the program, if they could talk to me,
4 and they asked that they be allowed to make that
5 without that being published.

6 So we wrote the reporting
7 requirements. My concern, and I expressed it to
8 them, was the data in FPD SNG has, historically,
9 been known to be inaccurate. So in the past,
10 our program manager would ask the agencies to
11 validate the data that was in FPD SNG or FPD
12 SNG, and if the data would say not accurate, the
13 agencies themselves would trouble shoot the
14 agencies and correct it, and the same data
15 reported to SBA.

16 That was my concern because I wanted
17 that data to come directly from the agency so we
18 knew that it truly represented the agency's

19 accomplishments, but they said, no, we want you
20 to use that data.

21 Another concern of mine is I really
22 wanted to find out how many actual services that

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1 were veteran-owned contracts were receiving
2 contracts because FPD FNG will report the number
3 of contract actions. It does not actually
4 report the number of contractors that received
5 that contract action, and that was really what I
6 was trying to get to the heart of.

7 So actually my revisions, I vetted
8 the requirements to Bill, to OMB, and then my
9 folks here, and I have gotten everyone's
10 comments and input. So I hope to get that out
11 to the agencies by tomorrow, Friday at the
12 latest. You know, we'll just see what comes
13 back from them.

14 MR. BEDNARCZYK: Teresa, how
15 compliant for all the agencies that you
16 anticipate responses, where are you percentage
17 wise right now with getting input?

18 MS. LEWIS: Well, I have three so far
19 and they use the old format that I sent out
20 which is actually more comprehensive than the
21 one that we have now.

1 many?

2 MS. LEWIS: Thirty-two, but remember
3 now, I did ask them to hold on until I could
4 revise the requirements based on the meeting
5 with the agencies, and so most of them are just
6 waiting now. I believe that they probably
7 already have the data. I was told that the
8 Congressional committee on small business and
9 entrepreneurship has sent a letter to the
10 agencies asking for similar information, and
11 that's due February 15th. So I believe that
12 they already have the information.

13 The most recent version of the
14 defense re-authorization bill, there was a
15 guidance to DOD to conduct a survey or study
16 that asked for similar information. And so that
17 said to me, really, what Congress was looking
18 for, they did not ask for any statistical data.
19 So what they will be getting Friday will be very
20 much in line with what the Congress has asked
21 for, both in that letter as well as the DOD
22 re-authorization bill.

1 MR. BEDNARCZYK: In your mind, then
2 what is the cutoff date for the other?

3 MS. LEWIS: February 28th is what I'm
4 going to ask for, yes.

5 MR. BEDNARCZYK: And if you don't
6 receive information by February 28th, what do
7 you do?

8 MS. LEWIS: I follow up. I send, as
9 I did before, I sent the letters directly to the
10 designated senior level officials. The federal
11 program managers have asked me to include them
12 as well and I will do that. And so, normally,
13 when I sent the follow on, then I get something
14 back from the agencies that says, Teresa, I am
15 working on it. I promise to get it to you by so
16 and so and so and so, but because they know that
17 it's due, I believe that we're going to have
18 full compliance, I really do.

19 Maybe I'm being overly optimistic,
20 but I just believe they have had ample notice
21 and that they are just waiting. They have the
22 information. They are just waiting to find out

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1 what form do you want it. So I am fully
2 expecting, you know, full information.
3 And we will publish that information on the

4 website.

5 MR. BEDNARCZYK: So at our next
6 session in May, you will be able to give us some
7 detailed information as to what you got back?

8 MS. LEWIS: I will, yes, I will, and
9 now off the record.

10 (Off The Record Discussion.)

11 (Noon Recess)

12 MR. BEDNARCZYK: The session was
13 called back in order. I have asked Bruce to
14 stay, from the veterans administration. In a
15 side bar conversation this morning, he shared
16 with me some upcoming events that the VA and DOD
17 have been integrating and working on. I think
18 it's important for the committee to hear about
19 these events, and maybe we might be able to add
20 some support as we hear suggestions as to
21 Bruce's endeavors.

22 So I will turn the podium over to you

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1 and Bruce.

2 MR. ST. JOHN: I am with the Center
3 for Veterans Enterprise. We work with other
4 Government agencies to help them buy more from
5 veteran-owned small businesses. We also
6 directly contract businesses to very help vets

7 be more successful in business.

8 So as a result of this work with
9 federal agencies right now, Center for Veterans
10 Enterprise is working with Army, Navy, and Air
11 Force, to plan a national veterans small
12 business conference in Las Vegas in June of this
13 year, June 26th to 29th, and that's the second
14 national veterans conference. And all federal
15 agencies are welcome to participate and do
16 participate in these conferences. And we have a
17 very close relationship with SBA and GSA also.

18 And this conference last year, the
19 first one was attended by over 800 veterans.
20 This year, we're expecting over a thousand. And
21 it's going to be, I think, a three or four-day
22 extravaganza with training networking,

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1 matchmaking, and that's the centerpiece of the
2 multi agency program.

3 Then we're also working to do eight
4 regional conferences this calendar year with
5 GSA. We prototyped the regional conference
6 format in a conference last year in Albuquerque,
7 New Mexico, in July.

8 MS. PAYNE: Good conference, very
9 good.

10 MR. ST. JOHN: One of the new themes

11 that we're trying to introduce is that the
12 objective is not to have a conference. The
13 objective is, through having a conference, to
14 link buyers and sellers, have things happen
15 after the conference, and for somebody to buy
16 something from a veteran. And we constantly say
17 that, and you know, we're seeing this happen and
18 it is shown by the VA numbers and the Army
19 numbers and the other numbers.

20 The eight regional conferences are
21 going to be probably a day-and-a-half, and they
22 are in Albuquerque, Palm Springs, California,

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1 Boston, New York City, Atlanta, Kansas City,
2 Indianapolis, places like this are the locations
3 for 2006, and Washington, D.C..

4 And for the regional conferences,
5 what we do is we get all the local federal
6 agencies to participate. We try to have
7 matchmaking events, buyers meeting directly with
8 people who sell things. And we, typically, work
9 closely with the SBA district office to utilize
10 their resources. We work closely with the GSA
11 local presidents, the regional administrator,
12 and VA,, other federal agencies, typically, the
13 Air Force, Army, whoever is in the area that

14 buys stuff, we try to include them in. And I
15 think these are very successful at creating a
16 buying and selling atmosphere. And it's up to
17 the veterans to make some contacts and keep up
18 with those contacts, be persistent, polite,
19 patient. And you don't get a contract typically
20 at the conference. It takes a while but you can
21 make some contacts with people who are veteran
22 friendly and who are doing more than going

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1 through the motions and really are trying to
2 meet their goals and find good contractors.
3 Our secret, I think in CVE and within
4 the veterans community is that the veterans who
5 went through the military and have the right
6 attitude have been fraught with the secrets to
7 success. And we're great contractors, people
8 love us. We listen to instructions, cooperate,
9 do work right the first time, stay within the
10 budget, conform to schedule, and most of the
11 people, once they get to know us, they like us.
12 And so that's the message we appreciate, and we
13 appreciate it at the conferences. We say it any
14 time people let us say it.
15 So I'm going to end now and answer
16 any questions you have.

17 MS. PAYNE: I'd just like to make a
18 comment. I was in the conference in Albuquerque
19 in July, and it was fantastic. I have looked at
20 it from both sides of the street, being a member
21 of this committee and also as a small business
22 owner. It was an excellent opportunity for me

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1 to meet those companies that I thought my little
2 small company didn't have a prayer for working
3 with them and to keep those ongoing
4 relationships.

5 The only thing that I can see that
6 would have been more helpful to me, and it was
7 due to my ignorance, I would have brought some
8 more information about my business with me. As
9 Scott mentioned earlier today, bringing that
10 printout from CCR, that would have been helpful
11 to be able to give that. He has all my
12 information right there in a nutshell. So I am
13 going to the one in Los Cruz in March. So
14 that's going to be a thing for me. I am going
15 to have a packet with that type of information
16 ready to give to those advocates from the
17 different major companies to take with me, and
18 that might be something you want to pass on.

19 MR. ST. JOHN: Yes, that's a good
20 idea.

21 MS. PAYNE: I think that would be
22 valuable for both side of the house. He

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1 wouldn't have to search for me because he is
2 going to have it right there.

3 MR. MILLER: I am anxious to learn
4 how you outreached the veteran community, the
5 veteran business owners, and also the industry?

6 MR. ST. JOHN: We're building our vet
7 business VIP database which is on our website.
8 Right now, there are over 10,000 veteran-owned
9 small businesses registered. For example, for
10 regional conferences we'll mail the veterans in
11 our business database, and we send them an
12 e-mail telling them when the conferences are.
13 We periodically will send an e-mail where we
14 have something importance or useful to
15 communicate to them.

16 So we communicate and we alert them
17 to conferences, both in their area and
18 nationally. So we use the registration in our
19 VIP database which is on our website. We don't
20 use CCR. We use VIP.

21 MR. MILLER: Does the Department of
22 Labor do any outreach for them?

1 MR. ST. JOHN: Yes, they did. When
2 we did the New Mexico conference, we searched
3 our database for all businesses in Mexico,
4 Texas, Arizona, and California. We downloaded
5 that in spread sheet format. We sent it to the
6 New Mexico district office and they did some
7 outreach also.

8 We registered 300 registrants for the
9 New Mexico conference. That was limited by
10 Kirkland Air Force Base security's willingness
11 to process people through. Kirkland Air Force
12 Base did a really great job. Everybody did a
13 great job. DOD gave us a conference facility.
14 Bureau of Land Management did a lot of work.
15 The SBA District Office in Albuquerque did a lot
16 of work. So everybody really pitched in.
17 Teresa came all the way from Washington, D.C.,
18 and used the rest of her valuable budget to
19 speak at the conference.

20 MR. MILLER: How long was it?

21 MR. ST. JOHN: It was two days. It
22 was one day of pontification, what I call

1 infomercials, and the second day was

2 matchmaking. It was well received by the
3 veterans, and also we're trying to get out, you
4 know, the major, popular locations and come to
5 places where people are, and the veterans are
6 and people really buy things. So they were
7 happy to see us in their neighborhood.

8 MS. JINKS-UMSTEAD: Can you talk a
9 little bit about the interaction between your
10 group and the local and state governments?
11 Because often times there are discussions about
12 small business for the Federal Government but
13 people sometimes omit and overlook the fact that
14 a lot of states, the majority of the states have
15 very aggressive programs whereby they set aside
16 contracts for various groups. And I wanted to
17 find out from you what kind of interface have
18 you had with state and local government, and has
19 that been successful?

20 MR. ST. JOHN: In fact, we don't have
21 any real effective, ongoing interface with most
22 of the state governments. It's on a basis of

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1 they get interested in us, and we establish
2 something and we talk to them about that. But
3 in reality, most of our focus is on the federal
4 marketplace and meeting the three percent goal.
5 And so we don't really have a formal or even an

6 effective outreach to all the state department
7 of veterans affairs.

8 When we did the conference in New
9 Mexico, we worked closely with the New Mexico
10 Department of Veterans Affairs. John Garcia did
11 a lot of support to the conference. He
12 actually, I think, provided some financial
13 support from the state, for which we were very
14 appreciative.

15 MR. ELMORE: Can I describe some of
16 what my office does into this kind of effort?
17 You weren't here yesterday but one of the things
18 I touched on is what we call district office
19 outreach. We have been doing that for five
20 years wherein response to a really rudimentary
21 plan. We will give a little bit of money to the

22 district to do marketing and outreach. So if

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1 the veteran business office in Albuquerque sends
2 me a one or two-page plan that says we're part
3 of this part, of what we want to do is use "X"
4 amount of dollars to go out and contact this
5 list or bring up these employers or help cover
6 the cost of the room or whatever it is, that is
7 where I provide funds to our district office.

8 And part of the orders that we have given the
9 district office in doing this is to do exactly
10 what you said, to work with VA, not just
11 headquarters, but VA regional office to contact
12 local DOL, to ask the state department of
13 veteran affairs to be part of this local
14 network, to contact the chamber of commerce, to
15 talk to any other entity, small business
16 developments centers, whoever is out there. We
17 throw it to them, build this network so that not
18 only do we do the conference support indirectly
19 but we also play a role in what becomes an
20 ongoing local network. So that John Garcia is
21 talking to the district director, is talking to
22 the VA hospital procurement office, that these

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1 people begin to know each other and build that
2 network.

3 Your other question, and Bruce, you
4 did a good job answering, I don't know if it is
5 the same way at the VA. My guess is, it is. If
6 I go directly up to the governor's offices to
7 get to the department of economic development, I
8 can't just do that in my office. I have to go
9 through a process, like everything else in
10 bureaucracy that controls our correspondence and
11 our engagement with other layers and elements of

12 Government, whether it is local, state, or
13 federal, in many ways.

14 So I don't know if you guys are
15 constrained that way. I can't just contact the
16 governor's office and say, hey, is there
17 somebody in economic development we can talk to.
18 Because, ultimately, how it is taken inside the
19 federal structure is first, protocol questions,
20 second, anything that might smack of what will
21 lead to state legislation, from their
22 perspective, is pretty much a no no.

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1 All we can do is sort of respond. We can't
2 really go out and initiate.

3 MR. BEDNARCZYK: Ron.

4 MR. ZOLA: Not a question for Bruce
5 per se, but just an observation and comment. I
6 was on a committee last years. Teresa Lewis was
7 out there. Do we know if she's going out there
8 this year to represent veterans interests?

9 MR. ELMORE: I do know that our
10 district office is involved. Whether or not
11 Teresa is going to go, I honestly don't know. I
12 had told Col. Blanco of the Army that I would
13 like to go out, be on a panel, and I left it at
14 this point to him to figure out where I would be

15 most valuable, whether or not we do anything
16 beyond that. For example, we do this
17 matchmaking event as well that is sponsored by
18 Hewlett Packard. I thought it would make sense
19 to have part of our Hewlett Packard piece there.
20 We have somebody who runs the
21 matchmaking program and they work with Teresa.
22 So when you get into the structure, it would be

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1 like Bruce trying to say to the director of the
2 veteran centers, your centers won't participate.
3 I don't expect you guys can do that.

4 MR. ST. JOHN: No, we can, actually.

5 MR. ELMORE: You can ask them.

6 MR. ST. JOHN: We have to be very
7 careful. For example, VLA is the largest pot of
8 money within VA for businesses. So we work
9 through VLA to train, influence, support their
10 small business.

11 MR. ELMORE: One of our versions of
12 VLA is Government contracting. I do a lot of
13 hands-on with Teresa. Back more to your
14 question, but at the same time, structurally,
15 where she's positioned inside that part of the
16 agency, I don't have a direct line.

17 MR. BEDNARCZYK: I'd like to pick up
18 on Ron's point because I think what is critical

19 is that, as we understand your role and Teresa's
20 role, you are the two tentacle relationships
21 here within the agency that touched the veteran
22 community. And I think it would be a travesty

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1 if there is a major event like this.

2 MR. ST. JOHN: Correct.

3 MR. BEDNARCZYK: In Vegas. And
4 Teresa, as I understand her job as we talked
5 about this morning, her job is policy. If she
6 cannot mix with the veterans community, what
7 better place to mix with the veterans community
8 than what a national event. And she's not
9 present to get the opinions directly from
10 veteran businesses or if there is something
11 rattling around in her head that she would like
12 to raise, maybe as a policy issue, she doesn't
13 have a way to test the waters by asking
14 questions at all. Then I think that we would
15 fall far short of our ability within the SBA in
16 particular of being able to move that ball
17 forward and be positive.

18 But what I think, I think, Ron, where
19 you were headed with this was it is critical
20 that for like this major event, particularly the
21 national event, you were trying to suggest that

22 both Bill and Teresa really need to be there to

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1 represent us and the work that we're trying to
2 do because we need feedback from both Bill and
3 Teresa being at a session like that.

4 And at the same time, I think we
5 recognize well that Bill and Teresa would have a
6 tremendous -- there would be a tremendous after
7 effect of being able to have that communication
8 on that three-day event. Is that where you were
9 headed?

10 MR. ZOLA: Exactly, yes.

11 MR. BEDNARCZYK: Does the committee
12 feel the same way, that maybe we should in a
13 handwritten note to the administrator maybe
14 recommend that for this national event, that
15 maybe Teresa and Bill be in attendance, that it
16 is in our best interest?

17 Without a formal motion, is everybody
18 in agreement that we should ask the
19 administrator, make sure that Bill and Teresa
20 are attendance? Anybody opposed? Okay. Yes.
21 It is unanimous.

22 DR. METTERS: Now we have got to

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1 worry about the money.

2 MS. JINKS-UMSTEAD: Well, when you're
3 talking about putting teeth in what you're
4 doing, you've got to have the stakeholders
5 around the table. These are two key people.
6 They are that link for us.

7 MR. BEDNARCZYK: You're absolutely
8 right.

9 MS. JINKS-UMSTEAD: And they are part
10 of the stakeholders. Otherwise, this thing has
11 no teeth.

12 MR. BEDNARCZYK: Okay.

13 MR. MILLER: We will ask either you
14 or Dennis to do a draft bill.

15 MR. BEDNARCZYK: Send an e-mail to
16 the administrator just saying that we talked
17 about it, and this is a recommendation from our
18 committee, that these two individuals be
19 represented because we'd like to get feedback.

20 MR. MILLER: If when we come back in
21 they have wounds in their chest, we will know.

22 MR. BEDNARCZYK: It was me.

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1 MS. JINKS-UMSTEAD: I might also add
2 that we be given -- that a time limit be given
3 for response. Because these kinds of things can

4 be put on the back burner, and you won't know
5 until you're at the conference whether or not
6 they are going to be there.

7 MR. MILLER: And a short report made
8 available to the board.

9 DR. METTERS: Short report.

10 MR. BEDNARCZYK: A trip report, I
11 like that. That's what we need.

12 MR. ELMORE: When you go off the
13 record, I will chat with you.

14 MR. BEDNARCZYK: Okay. Any other
15 questions of Bruce? I do have one though. This
16 came up when our northeast veteran organization
17 held a reverse matchmaker event in Newport,
18 Rhode Island in the fall. Dave Regio, who is
19 the small business liaison officer at Newport,
20 made a commitment to the veterans who attended
21 to have a three-month poll and a six-month poll,
22 both of the internal procurement staff at

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1 Newport and also for the contractors who
2 attended. To go back out and poll them and find
3 out what actually occurred in the event, how
4 many contacts were made, were there meetings
5 that were held, and kind of an after action
6 report but in a survey format as opposed to an

7 actual report. I know that our three-month
8 window just happened. So Dave's good to his
9 word, sent out a note to everybody to comment on
10 what positive things came out of the event.

11 Now, in terms of these events and I
12 know this is difficult and I don't even know if
13 there is an answer but is there any way to
14 measure the success of the venue, No. 1, and No.
15 2, the success of just the overall event itself?

16 MR. ST. JOHN: Well, right now we do
17 that anecdotally with number of attendees and
18 feedback, and that time from the veterans. And
19 we have talked about doing some follow-up.
20 That's been talked about and we actually haven't
21 done it.

22 MR. BEDNARCZYK: It is difficult, I

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1 agree.

2 MR. ST. JOHN: The answer is, yes, we
3 could sit down and develop some sort of success
4 criteria for an event, and we could try and
5 follow dollars of contract awards, things like
6 that.

7 MR. BEDNARCZYK: I'm not sure I am
8 going down that path, but here's a comment that
9 I hear all the time. I think one of our members
10 says it this way, it's the meet and greet.

11 There is a certain ora at these events that seem
12 to exist when veterans are called to a
13 conference or to something like this to meet the
14 contractors, and the matchmaking, and that type
15 of stuff. But what it turns out to be is that
16 it is more of shaking hands, saying hello, and
17 after that there is no contact from the
18 contractor.

19 Now, some of that, 50 percent of that
20 blame has to go on the individuals as well
21 because, obviously, it's the small business
22 person, regardless of whether he is a veteran or

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1 not, it's in his best interest, once he has a
2 name, to pursue some kind of a marketing skill
3 to do that.

4 But on the other hand, I could show,
5 if you want, experience I had myself at an SBA
6 event and maybe this capsulizes the issue. I
7 went to the SBA event. It was a matchmaking
8 event. What we did is we signed up to meet
9 certain companies that fit in our technology
10 space. And I sat down with this one company, a
11 very large company, and I sat there and I
12 brought a one-page summary of my business, and I
13 laid it out. And he looked at it, and he said,

14 okay, I don't do this, meaning himself in his
15 procurement space. So what he handed me was
16 another page that had all the procurement people
17 within the organization. And he circled one
18 person and he said, I think this person may be
19 able -- may be the one person. First of all,
20 this person wasn't in the northeast. Okay.
21 Secondly, this person wasn't there.
22 So I asked him, I said, well, would

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1 you mind taking my one-page summary and just
2 sending a note saying that you met me at this
3 conference and I'll be calling. And his comment
4 was oh, no, I don't do that.
5 So where I'm at is we're all four
6 putting everybody together, and the real
7 question, this is not something that we'll be
8 able to solve here, but the real issue is how do
9 we get both sides, the veteran's side, to
10 understand that marketing is their key goal
11 here, and that persistence contact and all this
12 is very important. And the other side of that
13 ledger, that the contractors needs to guide as
14 best they can the veteran to the right people
15 and to make it happen. Their job is they are
16 the facilitator, and that's an active word as
17 opposed to a passive word.

18 I posed that not to solve it here but
19 that was a personal experience I had. But in
20 our organization, those are the kind of things
21 that bubble up. Why should we go to these
22 things, 800, a thousand. We should have 10,000

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1 there to be able to stimulate the veteran
2 community.

3 MR. ST. JOHN: Okay. In response to
4 your question, we're aware of that issue. And
5 as I said at the beginning, one of the things we
6 have been doing is trying to point out that the
7 conference itself is not the objective. The
8 objective is to have something happen after the
9 conference and for someone to buy something. So
10 we're preparing this message.

11 In our humble opinion, in the past,
12 many times, small businesses, small business
13 conferences have been an illusion of
14 opportunity, not any real opportunity, because
15 the buyers already have somebody they are
16 comfortable with that they are buying from. And
17 from my own experience as a business owner,
18 displacing an incumbent, you better sharper your
19 bayonet and load up on ammunition. It is almost
20 impossible. The good news is when you're the

21 incumbent, it is impossible, you're the
22 competition too.

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1 In getting down to the detailed level
2 where we're trying to follow this in great
3 detail who came to the conference, what did they
4 get, we have a limited number of people, limited
5 amount of staff. What we try to do is work the
6 two ends at a higher level and match the buyers
7 and the sellers. So to the veterans, we
8 appreciate you have to know what you're doing,
9 be technically competent, know what you're
10 selling and why the buyer should buy that from
11 you instead of someone else. Then you're going
12 to have to talk to a lot of people. You're
13 going to have to talk to the small business
14 specialists. The Army has their website. The
15 Air Force has their website.

16 We have a file that we sent to
17 veterans, our business owners tool kit, gives
18 all the points of contact in the VA. You are
19 going to have to call these people, put up with
20 voice mail, be persistent, polite, and patient,
21 and sort through a lot of people. But if you're
22 selling what they buy, which they aren't always

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1 buying what you sell, and you're persistent,
2 polite, patient, you have the military added.
3 You can get into business conversations with
4 people.

5 Then eventually things happen, and
6 we're seeing more and more and more success
7 stories in the veteran community that this is
8 happening. People that we saw at conferences a
9 year-and-a-half ago that were about to throw us
10 off the podium and we're talking to them now and
11 they're saying we're happy campers. This is
12 working. If you keep going back, you're going
13 to have to bid. If you're in construction,
14 you're going to have to bid. Don't count on
15 sole source service-disabled veteran happening.
16 Look for set asides, bid, talk to the people,
17 get them to like. You get into a business
18 conversation about a specific need they have and
19 how you can meet that need, and what makes you
20 different, and why your other customers like you
21 or why people like you, in the past, what do you
22 bring to the party. And we're seeing that model

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1 work. And within the VA, we talk to the buyers
2 pointing out, you know, if you look at what you

3 buy and how you buy it, right now, if we're
4 going to meet the three percent goal, you can't
5 just do business as usual because sometimes
6 construction is not a growing program. It is a
7 stable program. And we have got construction
8 companies now that are low bidder. So you have
9 to think a little bit differently, look for ways
10 to give out some small jobs to get the veterans
11 in the door and see what they can do.

12 The pathway to business is find,
13 test, calibrate, train. You've got to find each
14 other. The conferences help that. Then the
15 buyers want to test the seller to see are these
16 people just hot air or do they deliver
17 something. So to the veterans, we say look for
18 tests. If you're not getting a test, try and
19 get one. A small job, we'll do a small job just
20 to get in the door, we will do anything, and
21 mean it.

22 And then the next one is calibrate.

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1 Okay, they like you. You can do something.
2 You're somebody that probably is going to be --
3 what size job can you do. So we will get some
4 calibration, and then you and your customer have
5 to train each other how to get together, how to
6 work together, how to be their best supplier,

7 and that's the pathway to success. We tell that
8 to both sides. We try to facilitate that
9 happening.

10 Our vet business VIP database, we
11 offer buyers, we will search it and send you a
12 spread sheet file of all the people we find.
13 And we do that about twice weekly. We do the
14 conferences so we feel like finding the vehicles
15 are out there.

16 Testing, all we do, we're trying to
17 promote within VHA, giving out smaller jobs,
18 look for opportunities to get new contractors,
19 new faces into the door. And then the other's
20 calibrating and training, you know, that's
21 building the relationships on the part of the
22 buyer and the seller. I feel like this is

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1 working. The numbers are showing it. The
2 numbers are showing it in some other federal
3 agencies too, not all, but I think if you're
4 going to be in business and not be crazy, okay,
5 you have to focus on the positive, go where
6 people are responding to you.

7 If you're just hitting a brick wall,
8 stay in contact, don't say anything nasty to
9 them. Stay in contact but focus your attention

10 on where the opportunity is. And I can tell you
11 what opportunity looks like. It doesn't look
12 like just an obvious, hey, this is real easy.
13 There's a pot of gold here. It looks like
14 something where it's very marginal. It is very,
15 very marginal. Like, I had one guy talk to me
16 about he would have to drive two hours to do a
17 small job and -- and, well, are you going to go
18 in the hole in cash, in dollar expenses, or are
19 you just going to be working for free, your own
20 labor. He said, well -- I said that is a test.
21 That's what opportunity looks like. What I
22 would decide is if this goes big, can I do this

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1 with a little field office or somebody up there.
2 Can I cover this big time, and can I cover it in
3 the growth phase. And if the answer to that is
4 yes, I am kind of interested, go do it.
5 Never lose cash money, if you can
6 afford to, because that can get to be a very
7 short adventure. Because when you're first
8 starting out or you're growing, you don't have a
9 whole lot of spare cash to lose. But if it
10 turns out you're working for free for a week,
11 you can take those risks once in a while. As
12 long as they are intelligent risks, it is an
13 intelligence decision, go do it.

14 I have long since forgotten what
15 question I was answering, so I'm going to shut
16 up.

17 MR. BEDNARCZYK: Tracking, is there a
18 way to track what the outcomes are?

19 MR. ST. JOHN: There is reluctance
20 to do it.

21 MR. BEDNARCZYK: Everything you said
22 is a dead on.

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1 MR. ST. JOHN: We encourage the
2 district offices to think about doing this.
3 And, periodically, we send out an e-mail to the
4 people who have opted into my e-mail list and
5 ask them how have things been going for the last
6 year, send us a report. Are these conferences
7 working out? What should we be doing different?

8 We're not hearing negative things
9 about the conferences. We here a lot of
10 negative stuff, but the conferences aren't an
11 item of unhappiness in the veteran community.

12 MR. ELMORE: A couple points because
13 the same question comes up internally, and I
14 will pass some of this around so you can take a
15 look at it and determine for yourselves what you
16 might think of the SBA's version of the

17 matchmakers. I have asked those same questions,
18 what are the outcomes, how many contracts
19 actually flow from these matchmaker events. And
20 you're absolutely right, Bruce, in the context
21 of getting into the arena, there is no way to
22 chart over time, and short of some process that

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1 we don't have that says you're sort of the
2 monitor on this business. We know we came to
3 this matchmaker two years ago and now they have
4 got a contract, and does that contract tie back
5 into in one way or another the Philadelphia
6 matchmaker or whatever it might have been that
7 they went to.

8 How to do that, I honestly don't have
9 an easy answer to. If you have suggestion, I'll
10 put them in to our contracting people but if it
11 makes enough sense to me and sounds like a good
12 idea, I will try to put it into our legislative
13 stuff, whether or not it does.

14 MR. BEDNARCZYK: I have only had one
15 experience where we've talked about tracking,
16 and that is the Newport event, and it was on the
17 initiative of Dave taking everybody's name that
18 attended and understanding and delineating the
19 procurement side, the contractor's side, and
20 then the attendees, and being able to hold them.

21 And he's only as good as the people that are
22 going to take the time to respond. Obviously,

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1 that is another issue but that's the only issue
2 to do it in a three-month increment and then a
3 six-month increment, with the expectation in the
4 first three months that the conference would
5 have generated interest, which would have
6 created meetings. And then from the meetings,
7 eventually, it would get to a procurement, a
8 purchase order, or at least a proposal stage.
9 And I know he set these goals up because the
10 command, it came from his command structure that
11 the captain wanted to see some tangible
12 happenings out of this. When it comes from the
13 top down, it makes it so much easier because
14 then they find little ways to do this, but I
15 don't have a secret to success.

16 MR. ELMORE: The other point I would
17 ask, part of how we're trying to address not
18 only do you have to go two hours to a conference
19 or can you do it from your desktop, is we moved
20 with our private partner who is leading this
21 effort, Hewlett Packard, to create this online
22 matchmaking, not just face-to-face. I would ask

1 you to take a look at it and if you have
2 suggestions or recommendations, and you look at
3 it and you think it doesn't make sense, this is
4 how we're trying to address it.

5 We don't have the kinds of resources.
6 We don't have that giant field staff. Our
7 district office in Las Vegas might have ten
8 people. The VA Hospital probably has certainly
9 a lot more but your procurement?

10 MR. ST. JOHN: It is probably three.
11 I am just getting typically three in the VA
12 Medical Centers.

13 MR. ELMORE: How we're trying to
14 approach this is through moving to this online
15 process in addition it face-to-face.

16 MR. BEDNARCZYK: What we will do, we
17 will T it up as a discussion item and see if we
18 can help you give -- maybe tomorrow morning, we
19 could devote 15 minutes to this topic.

20 MR. ELMORE: And if at some point you
21 want the guy internally who is just two doors
22 down come down and talk to you about how our

1 online sites works, let us know, and we will

2 bring him into whatever meeting you want.

3 MR. BEDNARCZYK: Super. Any other
4 questions of Bruce? Bill, do you have any
5 questions?

6 Thank you, very much, Bruce. We
7 appreciate you staying and taking the time.

8 MR. ELMORE: I do have a comment. As
9 you work on and when I do get invited to the
10 meetings, I don't go typically because I've got
11 too much things on my desk already, but if
12 you'll get us information when you know that the
13 time frames are firmly set for whatever the
14 regional conferences are going to be, we will
15 push inside. We will communicate on an ongoing
16 basis with every district office.

17 We also communicate with our regional
18 administrator and district vendors. We can push
19 inside on our involvement at the local level.
20 We will reenforce that. We will need to have a
21 fairly accurate listing of the time frames, who
22 the contact points are, and we will push it out

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1 as well as you guys trying to do it on the local
2 level.

3 MR. BEDNARCZYK: Is the national
4 veterans conference already posted on your

5 website?

6 MR. ST. JOHN: It might be, because
7 they were updating the website and I have been
8 away all week. I've been here. I'm pretty sure
9 there is a link from our vetbusiness.gov
10 conferences page over to the Army's page. All
11 the Army has posted right now is a save the date
12 today flier that is artistically very beautiful
13 as is the whole Army website. So you'll see the
14 date, June 26 to 29, 2006, Ceasar's Palace, but
15 I think that's all that's there right now.

16 Center for Veterans Enterprise, Army,
17 Navy, and GSA and SBA are in the process of
18 developing the agenda break-out sessions and the
19 objective for this year is to double the meat,
20 double the content and see the veterans just get
21 much, much, much more. We're looking for a
22 thousand plus this year, and I think it will be

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1 a great conference.

2 I would recommend to a business owner
3 don't go too many conferences and I am actually
4 saying fewer conferences, fewer conferences,
5 more buying. This is about buying something.
6 And so I would recommend they target some
7 conferences. They might want to go to the

8 national one. They might find it is too
9 expensive going from Connecticut or not, I don't
10 know. But definitely make a regional.

11 MR. BEDNARCZYK: Southwest direct,
12 with no problem?

13 MR. ST. JOHN: It is cheaper to go
14 to the west coast than to Pittsburgh. Crazy.

15 MR. ELMORE: Especially when we buy
16 through a Government contractor to get our
17 tickets.

18 MR. ST. JOHN: I would say if you
19 don't make the national, definitely make the
20 regional, if you can, but the idea is you want
21 to go somewhere you haven't been before that
22 buys what you sell. So you have got to get with

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1 your local P-tech, make them your thinking
2 partner. Where are the targets? Then you're
3 going to have to go out there and meet with
4 them, talk to them, talk to the small business
5 specialists. And the conferences can be part of
6 that. They are one-third. The other two-thirds
7 is talking to lots of people, lots of people.

8 MR. BEDNARCZYK: Thank you,

9 MR. SNEIDER: I just have a quick
10 question, and this may have been addressed in my

11 absence. One of the things happening in SBA,
12 especially on the procurement side, as it
13 relates to the goods and services that the
14 agency internally uses, is a concentration on
15 procuring from small businesses. I mean, with
16 the response being this is the small business
17 administration, and looking at the numbers that
18 Richard passed out earlier today, is there any
19 similar move afoot like that with the VA to
20 concentrate where it can use procurements with
21 veterans to prioritize?

22 MR. ST. JOHN: Yes. The veterans and

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1 service-disabled veterans are important. And
2 within VA and within all the federal agencies,
3 you have conflicting goals. And so one of the
4 problems that the VA, particularly veterans
5 health administration, deal with is some things
6 we buy just aren't that veteran friendly or
7 small business friendly. For example,
8 pharmaceuticals. The way we buy
9 pharmaceuticals, small businesses are pretty
10 much out of the picture. VLA is going through a
11 lot of work thinking of ways that problem could
12 be mitigated because if you're looking at
13 averages raising from a zero to a one and a big
14 number, makes your numbers a whole lot better.

15 Zeros really hurt an average a lot, so there's a
16 lot of thinking within VHA on what can we do,
17 where can we do it. Even in the areas that are
18 small business owned friendly, if you will look
19 at our numbers, you will notice that in VA, for
20 example, national cemetery administration, they
21 are well over their three percent goal. They
22 are also a small pot of money. Our big pot of

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1 procurement dollars is VHA. But the reason is
2 national cemetery administration is more small
3 business friendly because there is a lot of
4 construction, lot of things that are small
5 business friendly. Our office does a great job
6 of being mean to everyone, and they review all
7 the major procurements, and they can be real
8 heavy handed, would be a good word, about things
9 that are not going small business and require a
10 lot of effort on the part of the contracting
11 activity to justify why they are not doing small
12 business. And within the office of small and
13 disadvantaged business utilization, that is
14 though equally important. They pay attention to
15 payday, small, disadvantaged, women, all
16 important to have a within CVE.

17 Our focus is veterans, help vets be

18 successful in business, help buying from small
19 veteran opened businesses. We co-exist, we
20 support the programs.

21 I have long since forgotten what
22 question I was answering.

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1 MR. BEDNARCZYK: You answered the
2 question. Thank you, very much. I appreciate
3 it.

4 At 2:00, we're going to have the
5 distinct pleasure of having the SBA's website
6 guru here, and that is only in a couple minutes.
7 Is Sarah gone for the afternoon?

8 MR. ZOLA: Yes.

9 MR. BEDNARCZYK: Because we were
10 chatting. And before we have the visit from the
11 web people, maybe you could kind of share some
12 of the thinking that we were talking about, you
13 and I and Sarah?

14 MR. ZOLA: The question was a lot,
15 and I am just as newly -- I joined the finance
16 committee about two weeks ago with Sarah. She
17 asked for help so I helped her out with some
18 stuff.

19 The issue came up a lot of what she
20 does that overlaps, and where thought was on a

21 temporary basis, until we get through the
22 website issue, would it make more sense to have

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1 Sarah chair.

2 MR. BEDNARCZYK: Call it maybe a
3 committee?

4 MR. ZOLA: Yes, to work with
5 everybody in here and find out in terms of --
6 and sort of follow-up and work with and track
7 through you guys with the website because,
8 again, it comes up to the issue of the veterans,
9 our customers, our clients, being able to access
10 the stuff in a user friendly manner and making
11 it easier for prospective small business owners
12 and make that site as user friendly as possible
13 within the constraints of whatever they are
14 going to have.

15 MR. BEDNARCZYK: In support of Ron's
16 suggestion here, I'd like to take a vote. First
17 of all, the finance committee I'm sure is
18 important but we also are looking at maybe a
19 short tenure to this committee.

20 And one of the things that I keep
21 wrestling with is how can we help Dick and Bill
22 in their day-to-day mission. It just became

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1 painfully obvious, as we were paging through the
2 websites, there's a lot of things that are not
3 high ticket items that could be beneficial to
4 your efforts. One is that with a website that's
5 geared for the veteran coming in, you're getting
6 a lot of questions. Maybe some of those
7 questions could be mitigated by the website, and
8 we remove some of the treasurer under No. 1.

9 No. 2 as a committee, we're small
10 business people. We use the website, so we get
11 a sensing for maybe should be there and what
12 should not be there.

13 Thirdly, and more importantly it's
14 something that we could do in the short tenure
15 to impact the veteran community, to impact the
16 BSO community, and also to impact your
17 day-to-day.

18 As I was list things, and weighing
19 the pros and the consequence, it became kind of
20 to me, like if the finance committee was going
21 to be successful over the next six months to the
22 same degree of taking on this other project, it

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1 would have to be a pretty easy and very strong
2 project in finance, and they didn't have one.

3 I'm kind of inclined to go along and make Sarah
4 the chairman. I will call it the content
5 committee other than the web master because the
6 web master has a difference. That's more of an
7 engineering-type thing.

8 But I think from a content point of
9 view, you brought up the fact, Dick, that if
10 we're going to sit with the web people, that we
11 should be able to create a statement of work.
12 So maybe Ron and Sarah will be the drivers of
13 the statement of work that once we convince the
14 web people that this is not hard and it's
15 something doable, then them working with you and
16 creating a statement of work, that could be the
17 instrument that they follow to adjust the
18 website.

19 DR. METTERS: Statement of work, what
20 do you mean by statement of work? Do you mean a
21 mission, a guiding principle?

22 MR. BEDNARCZYK: No, sir. Call it

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1 maybe in the case of a web, the statement of
2 work is what, the layout.

3 DR. METTERS: What you want her to
4 do?

5 MR. BEDNARCZYK: No, no. What she
6 wants the web people to do to fix the situation

7 as it is today.

8 MR. ZOLA: The web people are the
9 technical experts on the site, but as far as the
10 content goes, it will be Sarah and I working
11 with you guys and gals getting the feedback you
12 are getting as to what is working and what's not
13 working. And I know we're going to end up with
14 a laundry list but it would just be the content.

15 MR. BEDNARCZYK: Like an advertising
16 list.

17 MR. ZOLA: A lot of this, we
18 discussed today and yesterday.

19 MR. ELMORE: Actually, there's two
20 comments. First off, I want that list and so I
21 would like you to do that. At the same time,
22 one of the things I was going to ask you, as we

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1 move to the end of this session, is to help
2 identify -- if you'll provide me suggestions on
3 what the committee either knows about or could
4 help demonstrate to be considered gaps in the
5 SBA lending programs, gaps, i.e. access to
6 capital for veterans, everything from bonding,
7 which we know is an issue, though loans to 504.
8 I am in a position to make recommendations to
9 our capital access office that manages all of

10 our financial programs on the steps that they
11 then can try to figure out to address those
12 gaps.

13 MR. BEDNARCZYK: Are you talking
14 about the web?

15 MR. ELMORE: It is another topic.

16 DR. METTERS: Totally different
17 subject.

18 MR. ELMORE: It is the purpose of the
19 committee as it exists now.

20 MR. BEDNARCZYK: Good point. I would
21 like to wrap this up, and get into your topic
22 because we have discussion time but I don't want

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1 to confuse issue one with issue two.

2 MR. ELMORE: One will effect two.

3 MR. ZOLA: Are you seeing that as a
4 financial committee issue?

5 MR. ELMORE: Yes.

6 MR. ZOLA: Perhaps we ought to have
7 the conversations concurrent because I don't
8 know to what extent we'll be able to do both of
9 them. I don't know how big big is on those.

10 MR. BEDNARCZYK: Let me tackle it
11 that way, from a finance committee perspective,
12 I am assuming, Bill, what you just tee'd up is
13 some very creative thinking on behalf of a

14 couple of people as to how finances can be
15 re-structured, created, formulated, whatever, to
16 help the veteran community. Is that, is that a
17 role of us versus let me throw this alternative,
18 you and your team creating a laundry list of
19 possible programs and coming to us for the
20 advice and the prioritization of those possible
21 programs. Because I'm sitting here as myself
22 and I will go around the table and ask it but I

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1 wouldn't know how to recommend to you a program
2 unless somebody on the outside much smarter than
3 me came to me and said, hey, Tom, did you ever
4 think of -- because I wouldn't be able to do it
5 myself. But I think if you came to me and said
6 I only can do one and I have five ideas, which
7 one do you think sets best with you, I'd be able

8 to give you an opinion or comment or whatever.
9 So it is the reverse of that, but the finance
10 committee to create programs, and we have two or
11 three people on the finance committee that may
12 be a long-term event in terms of polling and
13 gathering information whereas the web situation
14 is on a wait basis, could it be more beneficial
15 to you and at the same time quicker and easier
16 to deal with because we could handle it within

17 our own purview?

18 I will go around the table, if we
19 could debate this.

20 MR. ELMORE: Could I say one other
21 thing, I don't want you to get off the point.
22 Ron, you were right. I only raised the point

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1 because I have been given an order by my boss to
2 use third parties to identify gaps in lending,
3 not to go to them with recommendations but
4 rather to identify those gaps in lending. And
5 through that, develop recommendations for our
6 capital access program. And, ultimately, the
7 administrator will consider it.

8 MR. SNEIDER: And we're working
9 internally.

10 MR. ELMORE: I don't want you to get
11 into a long discussion about this now. I simply
12 raised exactly what you said and I want this web
13 stuff because that is an easy, relatively quick
14 fix. This other is a broader question, but the
15 time frame for moving on that is relatively
16 tight, and we'll get into this discussion after
17 you guys make your decision. But I wanted you
18 to know that I'm coming you today with that
19 request.

20 MS. JINKS-UMSTEAD: I do want to say
21 something before we move off of this topic.
22 It has been my experience, because you only get

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1 these opportunities very rare, it has been my
2 experience when you have a proposal or an
3 opportunity like this on the table, there is
4 something else going on that is underlying this
5 opportunity that cannot necessarily be
6 addressed. And sometimes we miss opportunities
7 by not realizing what they are. For example, I
8 do know that lots of agencies are making
9 proposals to the rules, the laws out there, with
10 regards to fees across the board, in terms of
11 the SBA loan program. And those costs are being
12 passed on, in terms of lenders. And SBA is
13 making recommendations about how they take these
14 lenders and put them under this umbrella
15 privilege, if you will, that they have relative
16 to the fact that when this comes to fraud,
17 whether or not those lenders are protected the
18 same way SBA is.

19 These costs are going to be passed on
20 to veteran groups, passed on to all small
21 businesses. So this is an opportunity for you
22 all to talk about these things and make some

1 proposals here because that is real. That is
2 coming down the pike, and it is going to impact
3 as a small business for me to go to the agency
4 that I need and that has been told they are my
5 advocate, and to ask for a loan and to know that
6 lenders are going to be absolved of the
7 responsibility to go out and vet me properly,
8 and I can be held accountable and that fee
9 passed on to me, that defies the purpose of why
10 the program even exists.

11 So I look at this as an opportunity,
12 and that there is something else going on
13 because I know this has happened across the
14 board. I will put that on the table. It
15 depends on your approach and how you want to
16 look at this, but there is a lot going on out
17 there with regard to lending, and a lot of it
18 may have been pre Katrina, but the Federal
19 Government learned a lot post Katrina.

20 DR. METTERS: While you're doing this
21 and you got me fired up a little bit here, what
22 you haven't brought up, there's two types of

1 veteran lending programs. One are the banks

2 that have been bonded by SBA, chartered by SBA,
3 and they are called SBICs, small business
4 investment corporations. These are banks that's
5 got license to loan you money without you even
6 going through SBA. But the banks have some kind
7 of agreement with SBA to give you lower rates.
8 And then there is another one we brought them in
9 here last year where they spoke to us where you
10 have bankers are partnering with SBA and said if
11 you take half of the risk, I'll take the other
12 half, and I will let Sam Metters have a million
13 dollars to get started. They are separate. So
14 which one are you guys talking about?

15 MR. ELMORE: Talking about all.

16 DR. METTERS: Well, if you're talking
17 about both of them, you can't talk about them in
18 the same breath because both of them have
19 different rules.

20 One you said that you could give us a
21 hand on. We don't need you to give us a hand if
22 you find the bank. You have got to find the

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1 bank first. That's in their program partnering
2 with SBA to find out if they will loan you the
3 money, and they are the ones who deal with SBA.
4 We don't have to come through Bill for that.

5 MR. ELMORE: We probably should put

6 this on how hold, because we have our two
7 presenters, if you don't mind, and we will get
8 to this.

9 DR. METTERS: You understand what I'm
10 talking about.

11 MR. ELMORE: He is more of a detail
12 guy on our lending programs. So if you don't
13 mind stopping here for a second, I will
14 introduce Raul Cisneros, who is an
15 administrator. Raul oversees all public
16 affairs. I don't know your proper title, sort
17 of the function guy.

18 MR. CISNEROS: Web manager. Sorry I
19 am a little bit late. I was on a conference
20 call but wanted to tell you just talking a
21 little bit about our website, we're in the
22 process of taking a major redesign of the SBA

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1 website. It's a project that's been in the work
2 for many months, and we hope to have a final
3 product here in the next few months. That's
4 being led by Kirk McElwain.

5 I just wanted to reiterate, point out
6 a few things, as far as the role of my office.
7 We rely on the program offices to tell us what
8 the content should be, is it up to date and

9 those kind of things, because we have thousands
10 and thousands of files, and lots of information
11 on our website. So we're right now in the
12 process of updating all those things. We're
13 moving stuff that's dated and fitting a new
14 design scheme into that. So we're very excited
15 that we have undertaken something pretty
16 thorough.

17 We had some redesign work done about
18 three or four years ago, and it went down a few
19 feet when it really should have gone all the way
20 to the bottom.

21 MR. BEDNARCZYK: Are you going to
22 have some time to join us?

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1 MR. CISNEROS: Unfortunately, I am
2 not.

3 MR. BEDNARCZYK: Well, we need your
4 help. That's why you're here, so if you could
5 just sit there for a couple seconds, would you
6 mind.

7 DR. METTERS: Hit him with the first
8 problem.

9 MR. ELMORE: Let me start so you will
10 know what it is I told these gentlemen. I asked
11 them to present to us sort of the structural
12 side of the process, how this thing is being

13 rebuilt. And at our level, at the office level,
14 the role that our office through Kirk will have
15 in taking whatever your recommendations are and
16 plugging them into our side of what is the
17 overall page.

18 MR. BEDNARCZYK: Let me preface, the
19 reason why we have asked you here, other than
20 what Bill is talking about, in September of
21 2005, we were reconvened as a committee.

22 MR. CISNEROS: Okay.

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1 MR. BEDNARCZYK: What we had
2 requested is that this committee be identified
3 in the veterans section here on the website.

4 MR. CISNEROS: Okay.

5 MR. BEDNARCZYK: Bear with me one
6 second. This is the way the website looks
7 today.

8 MR. CISNEROS: Yes.

9 MR. BEDNARCZYK: So we assembled a
10 thumbnail bios.

11 MR. CISNEROS: Okay.

12 MR. BEDNARCZYK: And when you come up
13 on to Bill's website, here's what you're seeing.
14 You're seeing meeting minutes for the annual
15 advisory committee for the 15th and 16th.

16 What you don't see is who the
17 advisory committee is. That requests has been
18 in front of your group to insert our bios and
19 our names on here, and this has been probably
20 since October. There's been e-mails that have
21 been sent around the agency, and we're just kind
22 of curious because here's what we're not asking

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1 for. We're not asking for a change of
2 structure. We're asking for an insertion of
3 content on an existing page that would be able
4 to fulfill at least some obligations to people
5 coming in onto the website.

6 There are some other things that are
7 incorrect now that need some adjustments but we
8 wanted to find out because we hear about the new
9 website being created. We're not interested in
10 that. We want to participate in that because we
11 want to make sure our veterans have the ability
12 to get on the SBA website and find the content
13 they are looking for.

14 MR. CISNEROS: Totally agree.

15 MR. BEDNARCZYK: We also feel that
16 Bill and Dick's organization probably gets a
17 series of questions everyday that may be
18 generated because their section of the website

19 is weak. And the stronger we make it, the less
20 questions will be sent to them direct because
21 the questions will be answered on the website
22 that had a content issue. But there are some

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1 immediate notes, and all we're asking for is to
2 get that type of simple information up on the
3 website as soon as possible, and we're finding
4 that seems to be a difficult task.

5 MR. CISNEROS: Let me address that.
6 We do have a protocol on how website information
7 get there, and gets to the website. In this
8 instance, we did put up meeting minutes, as you
9 see there, but there's been no new information
10 that new content be put through the process.

11 First of all, time out. This is the
12 first I have heard of this, and I'm happy to
13 have a discussion with Bill, about what we have,
14 what you want. Because, again, it is the first
15 I have heard of this so I was coming here to
16 kind of talk about what you wanted to do.
17 Certainly, one of the things that I want to do
18 this year through my office is help promote the
19 veterans programs. In fact, it is one of our
20 projects, so I am happy to discuss this, the
21 whole context of what I am doing, but I don't
22 think it's appropriate for us to get into really

1 discussion as to why that's not on there or not
2 when I don't know the details.

3 MR. BEDNARCZYK: I just wanted to
4 point out one simple fact, that this committee
5 has been organized by the President and
6 Congress. This committee reports to
7 Mr. Buretta, and I'm not sure I understand the
8 venting part. And we don't have to discuss it
9 it's just a comment. We're a part of the SBA.
10 And in terms of our charter, it's public law
11 10650 which makes us an existing committee. And
12 this committee existed prior to October because
13 our committee was posted with names, etc, before
14 it was reinstated, so to speak.

15 DR. METTERS: Tom, what the guy here
16 is really saying, maybe we have had it out there
17 since September '05 but you're preaching to the
18 wrong choir. This hadn't got even to them. Its
19 been stopped here.

20 So this is the first time they have
21 heard about it. So in deference to them, being
22 fair to them, in defense of them, we can't beat

1 them up, beat up on them.

2 MR. CISNEROS: I'm happy to have a
3 discussion, no problem with that.

4 MR. ELMORE: Because I think in that
5 sense we have accomplished something.

6 DR. METTERS: We have told you since
7 '05, but it doesn't necessary mean that --

8 MR. CISNEROS: We can get stuff up
9 quickly.

10 MR. ELMORE: I will make sure that
11 those changes are made.

12 DR. METTERS: I am not too sure
13 Cheryl is the person you should have on it
14 because it takes a highly technical person.
15 The other lady, Teresa, maybe she's the one that
16 should have this task.

17 MR. ELMORE: Actually, you're
18 absolutely right. What I asked them to do was
19 talk about where the process is going. The
20 physical process of what we need to get on the
21 page, my office will work to do.

22 MR. CISNEROS: we're happy to do

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1 this.

2 MR. ELMORE: We have been remiss in
3 depending on our staff, and that's on me. We're

4 in the process of trying to rectify that with a
5 new staff person that is coming on board.

6 DR. METTERS: To that, I make this
7 very clear, Tom is not saying that he's given
8 this information to you since September, '05.
9 We'd like to retract that information. We have
10 been putting it out on the table. We started
11 off by saying that you had it.

12 MR. CISNEROS: I know there is a lot
13 of things that are of interest in the veterans
14 community.

15 MR. ELMORE: It goes to what you
16 said, there was already an agreement for us to
17 reshape and reformat the whole veterans part of
18 this. In fact, the administrators directed us
19 to do that. So that fits into this long term
20 process. What we understood better now is in
21 the short run, we need to make more of those
22 kind of interim changes.

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1 MR. CISNEROS: Okay, sure.

2 MR. ELMORE: I just found out there
3 is an interim process that we're going to plug
4 this into.

5 MR. BEDNARCZYK: What do we have to
6 do, because we're compiling a sub committee to

7 assist Bill with a short-term need to fix this.

8 MR. ZOLA: The content portion.

9 MR. CISNEROS: Good, good.

10 MR. BEDNARCZYK: I'd like to know
11 what are the guidelines that we need to follow
12 since there seems to be a process. We're not
13 aware of what the process is, but we would like
14 to make sure whatever we create and recommend,
15 that it could be done quickly. Because we're
16 not trying to reinvent the wheel. All we're
17 trying to do is just add content to the web
18 page.

19 MR. CISNEROS: I would be happy to
20 sit down with Bill once we're in receipt of your
21 recommendation and let's see. It's a global
22 process of redesigning the website. Clearly,

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1 all our programs -- I want to make sure that all
2 fits into there well. As soon as we have your
3 information, we're happy to entertain that and
4 figure out how to best go about it.

5 MR. ZOLA: Will you be providing a
6 format to Bill when it comes to the content so
7 we the committee knows, as an example, the
8 Pronet is outdated. It has to come off.

9 MR. CISNEROS: That's what I am
10 talking about, how we went a few inches when we

11 should have gone several feet.

12 MR. ELMORE: To answer your question,
13 what I found out over the last two days is there
14 is an interim format. I didn't know that. Now
15 I know there is an interim format, we will take
16 your recommendations as you guys review.

17 MR. CISNEROS: I'm not going to
18 impose on you that it's got to be like that,
19 yes, we're make sure it fits.

20 MR. ELMORE: We don't very often take
21 the time to go back through our web page because
22 the level of activity and work that goes on

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1 presently doesn't allow us the luxury, if you
2 will, to go back and look at a web page that at
3 this point's grown 2,500 percent in five years.
4 So my assumption has been that what we've had up
5 there has been reasonably adequate. Whether or
6 not there was a specific thing that the
7 committee asked that did or didn't get up. What
8 you're telling me, it's not adequate. Our
9 friends from the VFW is telling me that it's not
10 adequate, so we're going to take now those
11 content situations, and we're going to plug them
12 into this template that is going to be available
13 to me and we're going to try to get it up there,

14 unless it runs into some internal hurdle that
15 can't be overcome.

16 MR. ZOLA: A number of the issues are
17 trying to make it user friendly to somebody that
18 is a start-up.

19 MR. CISNEROS: Totally agree.

20 MR. ZOLA: Bill, we will rely on you
21 for the format. We will work through the
22 committee. Sarah and I will identify -- she has

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1 a lot of good ideas. We will get all the data
2 in the right format so we will probably end up
3 having to prioritize it, and you guys and gals
4 can reasonably do this much.

5 MR. ELMORE: And part of it, I think
6 it goes back to what you were saying, this is
7 why the agency recognized that the rewrite that
8 we got three years ago, the program offices
9 weren't involved in that rewrite. Let's put it
10 that way, because it showed up almost out of the
11 blue one day. So the agency's taken those steps
12 through a planning process to redo.

13 MR. CISNEROS: We want to make sure
14 we're engaged.

15 MR. ELMORE: We will make these
16 change in the broader context. We're also part
17 of that process to make that a significant part

18 of what's coming.

19 MR. BEDNARCZYK: The rewrite is a
20 significant event. We understand it may take a
21 year or better to get a rewrite done.

22 MR. CISNEROS: I am hoping to do it

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1 sooner.

2 MR. BEDNARCZYK: To give us some
3 guidance while you're here, this is the front
4 page. The front page, one of the VFW pointed
5 out the way veterans have to find themselves, it
6 has to be a pull down menu. If you come up here
7 to search this site and you type in veteran, you
8 do not come up with Bill, you come up with
9 articles that are on veterans outside. You
10 almost Google it.

11 What we're asking is, there is an
12 area here that we would be able to put some kind
13 of a button that says veteran assistance where
14 they look on it and take them immediately to
15 Bill's site.

16 MR. CISNEROS: We can talk about that
17 in the new scheme. We can see what we can do.

18 MR. BEDNARCZYK: I know space is
19 precious.

20 MR. CISNEROS: That is true. The top

21 thing that we're promoting is our multiple
22 disaster response, but it's something we can

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1 talk about. I'm sorry, but I do need to go to
2 my next meeting. But I'm happy to certainly
3 entertain your recommendations. I look forward
4 to working with Bill, as well as all our program
5 offices to make sure that it's useful for your
6 constituency. And I look forward to promoting
7 the information that we have to the veterans
8 community. I just think it's important and I
9 think there's lots of communities.

10 MR. BEDNARCZYK: Well, the first
11 thing that you will see for is our request for
12 getting our names and our bios up on the web.
13 And Bill, you will take care of that in the next
14 couple days.

15 MR. CISNEROS: We're always very
16 happy to make the concerted effort to review and
17 update new content. That's what we're asking
18 for all the different program areas, to go back
19 and take a look through the old stuff and see if
20 this is up to date, or not make a recommendation
21 that makes our life easier. We have a
22 distributive process to make sure that happens.

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1 It is very important. We have actually provided
2 a schedule for this year for all the different
3 offices to migrate toward that new model of
4 certifying all the content is up to date. It is
5 great to be here.

6 You actually are doing it right now,
7 and we will certainly take that recommendation
8 and be more than willing to jump in there and
9 actually put that stuff up there for you. It is
10 an important part of the over arching look and
11 feel of the site. I think that's where we're
12 going with the new design as well.

13 MR. CISNEROS: Thank you, very much.

14 MR. BEDNARCZYK: Okay. We're still
15 on the record.

16 DR. METTERS: Tom, good job.
17 I think you got their attention but you're
18 preaching to the wrong choir.

19 MR. BEDNARCZYK: We will talk off
20 line but. Thank you. There were two topics
21 that were on the table before they came in.

22 DR. METTERS: One.

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1 MR. BEDNARCZYK: I'd like to get the
2 committee's opinion about substituting the role

3 of the finance committee working on finance to
4 it become a content committee to work on
5 content.

6 And then, of course, Bill introduced
7 the other question. I can tell you my own gut
8 feeling right now is that your loan program
9 issue is something that maybe shouldn't be
10 handled by a sub committee but rather by the
11 committee in general. Because collectively
12 maybe our experiences are more important in
13 helping defend or assist you than just a
14 two-person thing.

15 DR. METTERS: Tom's got a point
16 there, very valid point. We don't have any
17 difficulty getting money with the lending thing
18 because if you find the bank, we can get money.
19 That's not one of the top priorities.

20 I would highly recommend it. Maybe
21 we can go along with him and put a finance
22 committee on the back burner somewhere or do

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1 them in tandem with both of the things. And I
2 think Sarah and he could do that in tandem, if
3 you really wanted to do that, because finance is
4 a no-brainer. If you find a bank out there that
5 will take you on, you can get money from SBA

6 under the partnership program.

7 On the other hand, you have got to go
8 to a bank that's been certified by SBA to be a
9 small business investment corporation. Two
10 separate issues.

11 MR. BEDNARCZYK: I don't know what
12 we're missing, Bill.

13 MR. ELMORE: I wasn't arguing. I was
14 merely making the point.

15 DR. METTERS: You can help us with
16 finance. And I'm saying we don't need help with
17 finance as much as we do this.

18 MR. ELMORE: I think, Tom, your
19 comments are probably right on, it is in that
20 sense. I wasn't going to ask the sub committee
21 of the committee. I was going to ask the
22 committee, just like I am going to be asking the

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1 task force and our groups to help me. In a time
2 frame, we'll be sending letters out saying in 30
3 to 45 days get back to us anything that your
4 organizations can show up that represents a
5 lending gap in the SBA lending programs for
6 veterans. Because the door is open to make

7 recommendations for how we might improve on
8 that. And, ultimately, if you don't mind me

9 getting into this a little deeper, as we develop
10 then what the agency and the administration will
11 support, we'll also engage our lending partners
12 and we will talk to our certified or our
13 guaranteed lenders and our micro lenders and
14 SBACs and see if how they can help us enhance,
15 if there is a need to.

16 Essentially, what's been presented is
17 there is a need. And, well, let's identify
18 what that need is, get the support of the
19 veterans organizations in doing that and then
20 address how do we affect that need. So that's
21 kind of where we're going. I didn't want to get
22 you side tracked. You mentioned financing.

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1 MR. BEDNARCZYK: Obviously, we're
2 replacing something, and the question is when do
3 we make that decision. There's two sides of
4 that coin. What are we taking on and what are
5 we spinning off.

6 I am also inclined from, what I'm
7 hearing, that maybe it's in the best interest of
8 the committee that there is a time slot at each
9 of our meetings where we discuss finances under
10 your guidance and your tutelage, and add our
11 comments and our experiences and anything else
12 that we could grab onto, to help guide you to

13 prioritizing or making your job easier to do.

14 Whereas it seems to me that this
15 committee's looking for a way to make itself
16 aware and also this committee as a way to guide
17 you, this content issue seems to be a way that
18 we might be able to have a quick impact but at
19 the same time help you in maybe some of your
20 expenses.

21 MR. SNEIDER: Tom, if I could add a
22 quick footnote to Bill's comments. Two things.

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1 Part of where we're coming from is that even
2 though the agency as a whole, as I touched on
3 yesterday, has increased its lending but to
4 veterans it is decreased. And the reason is
5 why. One of the things we hear is a deleted
6 veteran base that's borrowing. Could be, but we
7 don't know that answer specifically.

8 The other thing, the other example
9 that comes to mind, we have heard in our
10 conversations with others inside the agency and
11 outside the agency is that a veteran starting a
12 business, one of the things that he's suffering
13 from as well as many small businesses is access
14 to capital or just seed money, start up money.
15 So that's where we're coming from.

16 MR. BEDNARCZYK: I will shut up and
17 go around the table and ask opinion. And then
18 we will take a vote.

19 DR. METTERS: Vote on what?

20 MR. BEDNARCZYK: A vote on changing
21 the finance committees focus to web content.

22 DR. METTERS: Tom, you know what I

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1 recommend, putting that on the table.

2 MR. BEDNARCZYK: The problem is,
3 Same, that the next time we meet is May.

4 DR. METTERS: Well, we can do a
5 conference call.

6 MR. ELMORE: I may have an
7 alternative.

8 DR. METTERS: We have a conference
9 call once a month.

10 MR. ELMORE: If you read the statute,
11 you have the ability to create it is called a
12 task group. Isn't that what it is, because
13 that's how you did the first time. If you've
14 got that authority, you don't necessarily need
15 to change your finance committee. You can
16 create a special task group to look at the web
17 content in the quick. Now, get us the details
18 so we can push it into the system while the
19 iron's hot, but at the same time, you could

20 still as a committee take a look at whether or
21 not you identify any gaps in our lending
22 programs for veterans.

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1 DR. METTERS: That is one approach.
2 You have got some latitude. Tom, we don't have
3 to vote on everything.

4 MR. BEDNARCZYK: No. I just wanted
5 comment. I will tell you what, we'll table it.

6 MR. BEDNARCZYK: We will get Dennis
7 involved. Obviously, under Dennis's
8 chairmanship, the finance committee was created.

9 DR. METTERS: That's right. He came
10 up with the idea.

11 MR. BEDNARCZYK: As we leave here
12 from this meeting, if you and Sarah could take
13 on the point for this web page to get it going,
14 then we will discuss what happens with the
15 finance committee on our next conference call.

16 MR. ZOLA: And if I could suggest,
17 concurrent with that, Bill can pursue with the
18 website whatever format or whatever information
19 that we would need to provide input to Bill.

20 MR. ELMORE: As I understand it,
21 Dick, that is coming to you.

22 MR. ZOLA: So we don't have to stop

1 anything until an official decision is made. We
2 can keep marching ahead parallel.

3 MR. BEDNARCZYK: What I was going to
4 ask everybody on this committee, you have seen
5 the website, you have got a sensing. You may
6 have visited other web sites. I'd like you to,
7 when you get back home, to think about what you
8 would like to see in terms of content on here,
9 and to forward it to Sarah and Ron so that they
10 can begin to compile a list so that we can sort
11 through that as a task. Because there's a
12 short-term, I don't want to confuse short-term
13 to long term.

14 The redoing of the SBA website needs
15 a lot of thinking, and that is where Dick needs
16 our assistance. But the short-term, some of the
17 things starting with our own committee being
18 posed as one short-term needs, but other little
19 things that we have picked up here today that
20 are very easy to do, we need to get them to Ron
21 and Sarah and I guess you, Dick, because you are
22 the conduit to these guys to get that done.

1 DR. METTERS: Tom, you've got to let

2 them know. I don't know how you find out but
3 how much room, space. Certainly, certainly not
4 room for a hell of a lot, and I guess they will
5 come back to us and say which is which, which is
6 more important. Because we can't put all that
7 information you have, you guys sent to us. We
8 just don't have enough room.

9 MR. ELMORE: There may be two ways
10 you want to think about it because we know we
11 have some immediate fixes and we acknowledge
12 that, at the same time, we know that there is
13 this process that we hope won't take a year but
14 may take a year. So the full range of the
15 comments that you get, even if they don't go
16 into the interim fix, certainly should be
17 available to us to see if we can integrate them
18 into the broad agency fix as well. And I would
19 ask you for that input.

20 DR. METTERS: I wish we could have
21 our own web page.

22 MS. PAYNE: That brings up a point,

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1 Sam. Putting us on the website with no way for
2 folks to communicate with us, it's like having
3 your picture posted in the post office. I'm
4 saying they have got to have some link to have

5 people respond back to us.

6 MR. ELMORE: Let me tell you, the
7 approach that we have taken and I've mentioned
8 this to some of the members before. When the
9 committee first came together in 2003, I think
10 it was, I made a decision not to have a direct
11 link to members of the committee. In fact, some
12 of the committees sent in their business
13 e-mails, their personal e-mails and their home
14 addresses. And I said don't put that stuff on
15 the web, because I try to be prudent about it.
16 I thought it was inappropriate to have -- we had
17 seven million people visit our web pages last
18 year. To have all of that potentially coming to
19 you directly was a mistake and I still feel it
20 is a mistake.

21 What we did, we had the ability for
22 anybody to send anything to our offices. It

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1 gets back to what you said, this is why we get a
2 thousand e-mails a year coming to us that we try
3 to respond to. If we get e-mails about the
4 committee or if we get an e-mail that asks about
5 the committee, we'll send that on to the
6 committee. I don't know that we've ever gotten
7 one. Dick, do you remember? Certainly staff
8 hadn't mentioned to me.

9 Janet gets the e-mails that come in.

10 MR. SNEIDER: The only ones I get
11 pertains to the guard and reserve.

12 MR. ELMORE: And procurement. For us
13 to do a survey, you then coordinate it together
14 the data for the committee. That's what I was
15 talking about.

16 I am certainly willing to ask if we
17 can do that.

18 MS. PAYNE: Getting that info out,
19 shooting it back to Dennis and he can farm it
20 out to the different committees. One of the
21 things was the tie into other committees. Once
22 we get the site up with our names etc, everybody

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1 put a little blurb out to your membership, go
2 invest, the SBA veteran advisory committee is
3 there. There is a link for you to explore. You
4 could probably word it in a way that we can't.
5 We could make it work for us like that.

6 DR. METTERS: Last one, if you think
7 back why the thing was brought up, we don't want
8 to lose sight of what our goal was because it
9 was hard and difficult to go in here to find
10 something about veterans. So in doing all of
11 this, you ought to keep in mind, please keep in

12 mine that we want a way that a veteran can type
13 in veterans, it pops up. That brought up the
14 issue about having a code word to go to.
15 Because if you read under the title, it is
16 called SBA Advisory Committee on Veterans
17 Affairs. And the veteran words comes seven
18 words late. We need to have the veterans up
19 front somewhere. And we need to find out if we
20 can do that.
21 And I think you said you were going
22 to look into that.

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1 MR. BEDNARCZYK: We talked about how
2 to change the committee name.

3 DR. METTERS: And the reason we were
4 doing this is because I mentioned there are so
5 many people out there still shouldn't heard of
6 us, and they can't find anything about us on the
7 web page.

8 MR. ELMORE: The only way to
9 potentially change the name of the committee is
10 an act of Congress.

11 DR. METTERS: But you can be
12 creative.

13 MR. ELMORE: If you want me to ask
14 the question of general counsel, because that's

15 who I think I will have to go to, Dick, tell me
16 if I'm wrong about if there is some way to
17 monitor the committee with a name that sort of
18 gets veteran first, we will ask that question.
19 I can tell you the attorneys will dig into law
20 books, look for precedent, and a week or two
21 months later we will get something back in
22 writing that will say yes or no.

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1 We will do that, if you want us to.

2 DR. METTERS: The answer to that is
3 no but I gave you the example the other day
4 about the veterans the corporation. That's not
5 their name at all. They're just using a short.

6 MR. ELMORE: But they are also an
7 independent entity, they are not a federal
8 agency.

9 DR. METTERS: But the name is not
10 being changed. It's called National Associate
11 For Development Of Veteran Owned Companies, and
12 they call themselves the Veterans Corporation.
13 It's in the name in the title but they choose
14 not to use the full name. That is not changing
15 it. We can still have SBA, what have you. We
16 just don't use the full title.

17 MR. ELMORE: I am not arguing against
18 it. All I'm saying is for us to make that kind

19 of a change, I'll have to go through a process,
20 and that process will likely include our
21 Congressional Affairs Office because it is a
22 legislative change and likely it will go through

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1 general counsel. Because now we're going to put
2 a name out in the public.

3 DR. METTERS: Save your time. That
4 is not going to be approved.

5 MR. BEDNARCZYK: For those working on
6 the committee, and to Sam's point, think about
7 how we can, and this is using electronics or the
8 power of the web, to produce key words hidden in
9 the page that allows somebody searching to take
10 it to the web page without having to affect the
11 precise committee name that's been established
12 by Congress. Because I think, to your point,
13 Sam, the real course of your issue is how do I
14 get a veteran who don't know the committee.

15 DR. METTERS: Right away, yes.

16 MR. BEDNARCZYK: Two ways. One, I
17 was thinking on the front page is to have a
18 little American flag down here or something with
19 veterans committee, and you click here and
20 you're over to the page. That's one way.

21 If that's not acceptable, there may

22 be within the search engine of this website when

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1 you go to search, there may be a word to put
2 some key words into that but that is the
3 electronics that these guys do for a living.
4 Maybe in a technique we could do it, but as far
5 as the committee name, we have raised that
6 issue.

7 DR. METTERS: That's not going to
8 happen.

9 MR. BEDNARCZYK: We will put that
10 aside.

11 DR. METTERS: That's never what I
12 implied.

13 MR. ELMORE: Although, if you don't
14 mind, I think your last point's a good one. I
15 haven't thought about that. I don't know, I
16 don't know what would happen if you search our
17 site, if you go to Google, you type in reserve
18 and small business, nine hits out of ten will
19 bring you to my office, not because I set out to
20 key word. So I think your point of key words,
21 and I am making a note, we will search the site
22 thing and try to understand. Because, Dick, I

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1 don't know how that search engine on the SBA
2 side is driven.

3 MR. BEDNARCZYK: Up here with
4 www.google, just type in veteran.

5 MR. BEDNARCZYK: What do you want to
6 search?

7 DR. METTERS: Type in veterans.

8 MR. ELMORE: What I suggested was
9 reserve, guard, small business.

10 MR. BEDNARCZYK: What are they trying
11 to find?

12 MR. ELMORE: No. I just made an
13 example, that while we didn't use key words, the
14 key words, and I didn't use the pluses but the
15 point is that because of the work that we have
16 produced, that's what drives people to us, part
17 of what you may want to think about. Well, I
18 would put veterans business.

19 DR. METTERS: That's not changing the
20 name either. No, it's just using another
21 synonym or whatever.

22 MS. JINKS-UMSTEAD: Using the words

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1 that drive the active to the site.

2 MR. BEDNARCZYK: Now, this goes to

3 the invest page. This is the page we're talking
4 about.

5 DR. METTERS: All it did was brought
6 us back to our error.

7 MR. ELMORE: Let me tell you what, I
8 am thinking about in your meeting minutes, since
9 you've got key words in your meeting minutes and
10 perhaps even your annual reports, if you make
11 sure those key words are in there and we put
12 those reports on the site, anybody that uses
13 those key words in search is going to find you
14 on our site. It's a different way to approach
15 it. We will, internally, try to figure out what
16 this search engine that the agency uses to come
17 up with veterans.

18 At the same time, if you are savvy
19 enough in what you produce that goes on the
20 record that those key words are there, that will
21 help bring people. If somebody typed in small
22 business, veterans, small business, advisory

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1 committee.

2 DR. METTERS: It's got SBA.

3 MR. ELMORE: The point I am making is
4 not necessarily what is there now, but be savvy
5 in the language you use in what gets posted, so
6 that you'll help drive people in your part of

7 our site.

8 So if it's veterans business advice,
9 I don't know whatever you think those key words
10 would be make sure they end up in your final
11 documents as they get posted. It will help
12 bring people your way.

13 MR. ZOLA: Using language like
14 veterans advisory committee, it doesn't require
15 a name change. If you put a header under where
16 it says meeting minutes, annual advisory
17 committee if you just put veterans advisory
18 committee, and then all else afterwards, you
19 didn't screw around with the name.

20 DR. METTERS: That's right, you
21 haven't changed the name.

22 MR. ZOLA: You just back doored into

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1 who we are.

2 MR. ELMORE: I am thinking out loud,
3 be smart and safe, even in the recommendations
4 you give to us, but also in your reports, you're
5 got both side working for you.

6 MR. BEDNARCZYK: I am hoping that the
7 web group of SBA will also be pro active in
8 recommendations to take us to the end point that
9 we're trying to get to. Because they understand

10 how the system works and are able to guide us,
11 but I think that we're responsible for the
12 content.

13 It is up to us to create the content
14 we want. It is up to them to advise us and
15 think what can we do now. I hope this venting
16 issue is not something that needs month and
17 months and month of work. Everything that I see
18 around here takes too many months to get done.

19 MR. ELMORE: I will tell you what
20 we're doing in the office, we're having a panel
21 and we had a number of candidates for a position
22 that we have open in our office. How the

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1 federal process works is we have independent
2 people reviewing those applications, so we'll
3 get the final list. Whoever ends up in that
4 job, the first time I talk with them after they
5 come to work for me, one of their jobs is going
6 to be this, it is going to be this web page,
7 look at it page by page, give us a fresh
8 perspective, what do we need to update, what do
9 we need to change, what do we need to delete,
10 are there things that I think that we don't
11 have, all that is going to be handed to a new
12 staff person.

13 MR. BEDNARCZYK: That is great.

14 It will be your conduit. And the hiring will
15 take place when?

16 MR. ELMORE: We think, in the next
17 couple weeks.

18 MR. BEDNARCZYK: That is even better.
19 All right. I'm going to recommend that the
20 official recorded part of this session come to
21 an end. Does anybody have anything else they
22 would like to put on record? We have no guests

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1 schedule for the rest of the day but I would
2 like to have everybody take a maybe ten-minute
3 break, and we will convene and talk about
4 setting up the agenda for our personal time as a
5 team, just how we can get ourselves organized.
6 So the official part of the session for day two
7 is now over with.

8 (Thereupon, the above two-day session
9 was ended.)

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